

August 26, 2022

DCS-CRD BSE Limited First Floor, New Trade Wing Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street Fort, Mumbai 400 023 Stock Code: 500032	National Stock Exchange of India Limited Exchange Plaza, 5th Floor Plot no. C/1, G Block Bandra Kurla Complex Bandra (East) Mumbai 400051 Stock Code: BAJAJHIND
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Dear Sirs,

Sub: Annual Report for the financial year 2021-2022 and Notice of the 90th Annual General Meeting of the Members of the Company

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, please find enclosed the following documents for the financial year 2021-2022:

1. The Notice convening 90th Annual General Meeting (AGM) of the Members of the Company scheduled to be held on Monday, September 26, 2022 at 11:00 A.M. IST at the Registered Office at Conference Hall, General Office, Bajaj Hindusthan Sugar Limited, Golagokarnnath, Lakhimpur-Kheri, District: Kheri, Uttar Pradesh - 262802.
2. Annual Report for the financial year 2021-2022.

The Notice of 90th AGM and Annual Report for the financial year 2021-2022 are also available on the website of the Company i.e. www.bajajhindusthan.com.

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

Thanking you,

Yours faithfully,
For Bajaj Hindusthan Sugar Limited



Kausik Adhikari
Company Secretary &
Compliance Officer
(Membership No. ACS 18556)

Encl.: As above



Bajaj Hindusthan Sugar Limited

CIN: L15420UP1931PLC065243

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

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

Website: www.bajajhindusthan.com, **Email:** investor.complaints@bajajhindusthan.com

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the **Ninetieth Annual General Meeting** of the Members of Bajaj Hindusthan Sugar Limited will be held on Monday, September 26, 2022 at 11.00 A.M. (IST) at the Registered Office at Conference Hall, General Office, Bajaj Hindusthan Sugar Limited, Golagokarannath, 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, 2022 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 (DIN: 00017575), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors Rules, 2014), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s. Sidharth N Jain & Company, Chartered Accountants (Firm Registration No. 018311C), be and is hereby appointed as Statutory Auditors of the Company to hold office for a period of 5 (Five) consecutive years from the conclusion of this 90th Annual General Meeting (AGM) till the conclusion of the 95th AGM of the Company, at a remuneration of ₹ 32,00,000/- (Rupees Thirty Two Lakh only) plus tax as applicable and reimbursement of out-of-pocket expenses in connection with the audit of the Company for the financial year 2022-23 and further increment(s) for the remaining tenure of the appointment, as may be recommended by the Audit Committee and approved by the Board of Directors of the Company in this behalf.”

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 Section 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (“the 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. Ramani Ranjan Mishra (DIN: 09389302), who was appointed as an Additional Director of the Company with effect from November 11, 2021, 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.”

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

“RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, and in accordance with the provisions of Sections 149, 150, 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment thereto or re-enactment thereof for the time being in force) and subject to such other approval(s), permission(s) and / sanction(s) as may be necessary, Mr. Ajay Kumar Sharma (DIN: 09607745), in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of director pursuant to Section 160 of the Companies Act, 2013, be and is hereby appointed as Managing Director of the Company for a period of 5 (five) years with effect from May 20, 2022 up to May 19, 2027, liable to retire by rotation, on the payment of remuneration and other terms and conditions as set out hereinbelow:

I. Remuneration:

In consideration of the performance of his duties, the Company shall pay to Mr. Ajay Kumar Sharma, the aggregate remuneration with such increments as may be approved by the Board of Directors (which term includes any Committee thereof) from time to time, as per the break up stated below:-

a) Salary:

Basic salary of ₹ 1,39,635 per month in the scale of ₹ 1,25,000 – ₹ 5,00,000 per month.

b) Performance Linked Incentive:

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

c) Allowances, Perquisites, Amenities:

i) Leave Travel Allowance:

Leave Travel Allowance in respect of himself and family not exceeding one month's salary per annum as per the rules of the Company.

ii) House Rent Allowance:

As per the Rules of the Company.

iii) Children Education Allowance:

Children Education Allowance as per the Rules of the Company.

iv) Special Allowance:

Special Allowance as per the rules of the Company, presently ₹ 1,05,318 per month.

v) Medical Expenses:

Reimbursement of actual medical expenses incurred as per the Rules of the Company.

vi) Mediclaim and Personal Accident Insurance:

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

vii) Conveyance facilities:

Vehicle allowance, reimbursement of driver's salary, fuel expenses, car repairs and maintenance and car insurance renewal as per the rules of the Company.

viii) Communication facilities:

Reimbursement of residential telephone expenses as per the rules of the Company.

ix) Other Allowances and Perquisites:

Subject to overall ceiling on remuneration mentioned hereinbelow, Mr. Ajay Kumar Sharma may be given any other allowances, benefits and perquisites as the Board of Directors (which term shall include any Committee thereof) may decide from time to time.

Explanation:

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

d) Statutory Payment including retrial benefits:

i) Contribution to Provident Fund:

Company's contribution to Provident Fund up to such an amount in aggregate is not taxable under the Income Tax Act, 1961 and as may be decided by the Board of Directors from time to time.

ii) Gratuity:

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

iii) Leave:

Leave with full pay or encashment thereof as per the rules of the Company.

II. Overall remuneration:

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

III. Other Terms and Conditions:

Other terms and conditions of appointment of Mr. Ajay Kumar Sharma, the Managing Director is as under:

- a. The Managing Director shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.
- b. The appointment of Mr. Ajay Kumar Sharma as Managing Director is subject to the provisions of the Section 167 of the Companies Act, 2013.
- c. Separation of services: 02 (Two) months' notice or basic salary in lieu thereof from either side."

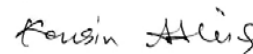
"RESOLVED FURTHER THAT in case the Company has in any financial year no profits or if its profits are inadequate anytime during the period of 3 (three) years from May 20, 2022, the Managing Director shall be paid the aforesaid remuneration as the Minimum Remuneration with the liberty to the Board of Directors (which term shall include any Committee thereof) to revise, amend, alter and vary the terms and conditions relating to the remuneration payable to the Managing Director in such manner as may be permitted in accordance with the provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 or any modification thereto and as may be agreed by and between the Board and the Managing Director."

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 the provisions of Section 148 of the Companies Act, 2013 ("the Act"), Companies (Audit and Auditors) Rules, 2014 ("the Rules") and other applicable provisions, if any, of the Companies Act, 2013 including any amendment(s) thereto or re-enactment(s) thereof for the time being in force, payment of remuneration of an aggregate amount of ₹ 4,75,000/- (Rupees Four Lakh Seventy Five Thousand only) plus service tax as applicable and reimbursement of actual travel and out of pocket expenses to M/s. B.J.D. Nanabhoy & Co., Cost Accountants, Mumbai,

appointed as Cost Auditor of the Company by the Board of Directors to conduct the cost audit of the Company for the financial year ending March 31, 2023, be and is hereby ratified and confirmed."

By Order of the Board of Directors



Place : Mumbai
Dated: May 20, 2022

Kasuik Adhikari
Company Secretary
(M. No. ACS18556)

Registered Office:

Golagokarannath, Lakhimpur-Kheri,
District Kheri, Uttar Pradesh 262 802
Tel.: +91-5876-233754/5/7/8, 233403,
Fax: +91-5876-233401,
Website: www.bajajhindusthan.com
Email: investor.complaints@bajajhindusthan.com

Registrar and Share Transfer Agent:

M/s Link Intime India Private Limited
Unit : Bajaj Hindusthan Sugar Limited
C 101, 247 Park, L.B.S. Marg, Vikhroli West
Mumbai 400 083
Tel. No.: 022 49186000
Fax No.: 022 49186060
Email: rnt.helpdesk@linkintime.co.in

NOTES:

1. **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 (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 re-appointed/appointed, nature of their expertise in specific functional areas, names of the companies in which they hold directorships, memberships/chairmanships for Board/Committees, shareholding and relationship between directors inter-se as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the annexure to the notice.
6. An Explanatory Statement pursuant to the provisions of Section 102 of the Act in respect of Special Business to be transacted at the AGM is annexed and forms part of this Notice. The Board of Directors have considered and decided to include Item No. 3 to 6 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.
7. Register of Directors and Key Managerial Personnel and their shareholdings and Register of Contracts or Arrangements in which Directors are interested, maintained under Sections 170 and 189 of the Act, respectively will be available at the Company's Registered Office for inspection by the Members.

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 the date of the Annual General Meeting.
8. The Register of Members and Share Transfer Books of the Company shall remain closed from **Monday, September 19, 2022 to Monday, September 26, 2022** (both days inclusive) for the purpose of Annual General Meeting.
9. Members are requested to send all communications relating to shares to the Registrar and Share Transfer Agent of the Company.
10. 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).
11. NRI Members are requested to inform the RTA/DPs immediately of: -
 - a. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier; and
 - b. Change in their residential status and address in India on their return to India for permanent settlement.
12. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number ("PAN") by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their PAN card numbers/copies of PAN card to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agent, M/s. Link Intime India Private Ltd.

13. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013 (corresponding to Section 109A of the Companies Act, 1956). Members desiring to avail of this facility may send their nomination in the prescribed Form No.SH.13 duly filled in to M/s. Link Intime India Private Limited at the above mentioned address or the Registered Office of the Company. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
14. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company. Members are requested to keep the same updated.
15. 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).

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

16. Pursuant to the provisions of Section 124 and 125 of the Companies Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time), all shares on which dividend has not been paid or claimed for seven consecutive years or more transferred to IEPF Authority.

The Company has also uploaded full details of such shares due for transfer as well as unclaimed dividends on the website of the Company.

Both the unclaimed dividends and the shares transferred to the IEPF can be claimed back by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the "Rules". For more details regarding claim of unclaimed/unpaid amount/shares please check <http://www.iepf.gov.in/IEPFA/refund.html>.

17. SEBI vide its notification dated June 8, 2018 as amended on November 30, 2018, has stipulated that w.e.f April 01, 2019, the transfer of securities (except transmission or transposition of shares) shall not be processed, unless the securities are held in the dematerialized form. The Company has complied with the necessary requirements as applicable, including sending of letters to shareholders holding shares in physical form requesting them to demat their physical holdings.
18. To comply with the above mandate, members who still hold share certificates in physical form are advised to dematerialize their shareholding to also avail numerous benefits of dematerialization, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
19. As shares of the Company are traded under compulsory demat, Members are requested to dematerialise their shareholding to avoid inconvenience.
20. 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.
21. 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).

22. Electronic copy of the full annual report for 2021-2022 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(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 2021-2022 is being sent in the permitted mode.
23. Electronic copy of the Notice of the 90th 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 Participant(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 90th 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.
24. Members may please note that the Notice of the 90th Annual General Meeting and the full Annual Report for 2021-2022 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 free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: investor.complaints@bajajhindusthan.com.
25. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.
26. Company has provided Members, e-voting facility to exercise their right to vote at the AGM by electronic means. The process and manner for availing the said facility are annexed to this Notice.

27. **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 90th Annual General Meeting (AGM). The Company has engaged the services of National Securities Depository Limited (NSDL) 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 providing facility for voting through ballot paper.

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

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

The instructions for shareholders voting electronically are as under:

The remote e-voting period begins on **Friday, September 23, 2022** at 9:00 A.M. (IST) and ends on **Sunday, September 25, 2022** at 5:00 P.M. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **Monday, September 19, 2022**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Monday, September 19, 2022**.

How do I vote electronically using NSDL e-Voting system?




The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center; margin-top: 10px;"> <p>NSDL Mobile App is available on</p>  <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> </div>

Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

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

B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- Password details for shareholders other than Individual shareholders are given below:
 - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system ?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ranjeetsharma1985@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "**Forgot User Details/Password?**" or "**Physical User Reset Password?**" option available on www.evoting.nsdl.com to reset the password.
3. 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 download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor.complaints@bajajhindusthan.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor.complaints@bajajhindusthan.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

The following Statement sets out all the material facts relating to the Item No. 3 to 6 of the accompanying Notice.

In respect of Item No. 3 (Special Business)

M/s. Sidharth N Jain & Company, Chartered Accountants (Firm Registration No. 018311C) has been appointed as Statutory auditors of the Company to fill the casual vacancy caused by the resignation of M/s. R.S. Dani & Co., till the conclusion of the 90th Annual General Meeting.

As per the recommendations of audit committee, the Board of Directors in their meeting held on May 20, 2022, subject to the approval of the shareholders, proposed to appoint M/s. Sidharth N Jain & Company, Chartered Accountants (Firm Registration No. 018311C), as Statutory Auditors of the Company to hold office for a period of 5 (Five) consecutive years from the conclusion of this 90th Annual General Meeting (AGM) till the conclusion of the 95th AGM of the Company. It is proposed that an amount of ₹ 32,00,000/- (Rupees Thirty Two Lakh only) plus tax as applicable and reimbursement of out-of-pocket expenses be paid to Sidharth N Jain & Company, for audit of accounts of the Company for the financial year ending 31st March, 2023 and for conducting quarterly Limited Review during the financial year 2022-23, and further increment(s) for the remaining tenure of the appointment, as may be recommended by the Audit Committee and approved by the Board of Directors.

M/s. Sidharth N Jain & Company, Chartered Accountants (Firm Registration No. 018311C), have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014 and they hold valid certificate issued by peer review board of Chartered Accountants of India as required under Regulation 33 of the Listing Regulations.

Disclosures as per Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given below:

- (a) It is proposed that an amount of ₹ 32,00,000/- (Rupees Thirty Two Lakh only) plus tax as applicable and reimbursement of out-of-pocket expenses be paid to M/s. Sidharth N Jain & Company for audit of accounts of the Company for the financial year 2022-23. The Company had paid statutory audit fees of ₹ 32 lakh to the erstwhile Statutory Auditors i.e. M/s. R.S. Dani & Co. for the financial year 2020-21 and ₹ 9 lakh for limited reviews for 3 quarters of the financial year 2021-22. The Company has paid ₹ 23,00,000 to M/s Sidharth N Jain & Company as audit fees for the year 2021-22. In the opinion of the Audit Committee and the Board of Directors of the Company, the fees payable to M/s Sidharth N Jain & Company, Chartered Accountants, is based on the fee proposal received at the time of selection of the Statutory Auditors by the Audit Committee.
- (b) M/s. Sidharth N Jain & Company, Chartered Accountants is in practice since 2013, which has been providing its expertise in the field of Auditing & Taxation to all sectors of trade & industry and bear renowned names in professional circle also. M/s Sidharth N Jain & Company has rich experience and implementation of IFRS, Ind AS, US GAAP, SOX, Indian and International Accounting Standards, Corporate and Tax Laws, Auditing under SAP and other ERP environment. M/s. Sidharth N Jain & Company, Chartered Accountants, has subjected themselves to peer review process of Institute of Chartered Accountants of India and holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. M/s. Sidharth N Jain & Company, has been recommended based on various parameters like capability to serve a large organisation with multiple manufacturing locations as that of the Company, audit experience, the audit team, market standing of the firm, clientele served, technical knowledge etc.

None of the Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at Item No. 3 of the notice.

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

In respect of Item No. 4 (Special Business)

The Company has received a letter from Punjab National Bank dated November 02, 2021 for nomination of Mr. Ramani Ranjan Mishra in place of Mr. Amir Singh Yadav to represent Punjab National Bank as Nominee Director on the Board of the Company. Mr. Ramani Ranjan Mishra was appointed as Additional Director of the Company by the Board of Directors with effect from November 11, 2021 as a Nominee of Punjab National Bank. In terms of Section 161(1) of the Companies Act, 2013, Mr. Mishra holds office only up to the date of the forthcoming Annual General Meeting of the Company and is eligible for appointment as a Nominee Director of the Company.

Mr. Ramani Ranjan Mishra aged 55 years is a professional banker having 31 years of experience. Mr. Mishra is presently designated as DGM, Punjab National Bank, ELCB, New Delhi. Mr. Mishra holds the degree of M Com, CAIIB, PGDBA.

The other details of Mr. Ramani Ranjan Mishra in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, are annexed to this Notice.

The Company has received notice in writing from a member proposing the candidature of Mr. Ramani Ranjan Mishra as a Nominee Director. Mr. Mishra has consented to continue as Nominee Director of the Company, if appointed.

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 up to the date of the Annual General Meeting.

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

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

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

In respect of Item No.5 (Special Business)

Mr. Alok Kumar Vaish, Managing Director resigned from the position of Managing Director due to personal reason and ceased to be a director with effect from May 20, 2022. In accordance with Section 203, every listed companies shall have a Managing Director or CEO or Whole-time Director as whole time Key Managerial Personnel (KMP).

The Board of Directors at its meeting held on May 20, 2022, pursuant to the approval of the Nomination and Remuneration Committee of the Board and subject to the approval of the Members and such other approval(s)/permission(s)/consent(s) as may be required, has approved appointment of Mr. Ajay Kumar Sharma as the Managing Director of the Company with effect from May 20, 2022 up to May 19, 2027 on the terms and conditions set out in Resolution at item No.5 of the Notice

Mr. Ajay Kumar Sharma, Unit Head of Bilai Unit, is aged about 55 years and has been working with us since 2016. In a career spanning over three decades, Mr. Sharma has worked extensively in the areas of cane procurement and development, liaising with farmers and government officials, supply chain management and operations. In his six years at BHSL, his expertise in the aforementioned areas have led to minimizing the "cut to crush" time which in turn led to significant improvements in the operational performance of the company's Bilai unit. Also, during his tenure the said unit achieved highest ever recoveries during 2018-19, 2019-20 and 2020-21 seasons, and increased high sugar variety percentage cane from 25% to 98% which contributed to a tremendous growth in Pol percentage. Additionally, Mr. Sharma implemented a number of measures which helped optimize costs and brought increased agility in plant operations. With a M.Sc. in Agriculture and LLB, Mr. Sharma worked in a number of Sugar firms including Triveni Engineering Works, SBEC (Modi Group), RBNS Sugar, Mawana Sugar, and Modi Sugar before moving to BHSL.

The Company has received a Notice pursuant to Section 160 of the Companies Act, 2013 from a member, signifying his intention to propose the appointment of Mr. Ajay Kumar Sharma as a Director.

In terms of the provisions of Schedule V of the Act, in case of inadequacy of profits, remuneration can be paid to the managerial personnel based on the effective capital of the Company. Remuneration in excess of the limit based on the effective capital may be paid by passing of special resolution passed by the shareholders. The Board, pursuant to approval of Nomination and Remuneration Committee, has proposed to pay the remuneration as stated in the resolution at Item No. 5 of the Notice to Mr. Sharma as the Minimum Remuneration, in the event of absence or inadequacy of profits of the Company in any financial year during the tenure of Mr. Sharma as Managing Director of the Company, which may be in excess of the maximum remuneration payable to him in accordance with the provisions of the Companies Act, 2013 and Schedule V of the Act and accordingly recommends the Special Resolution at Item No. 5 of the Notice.

Pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013, appointment of Mr. Ajay Kumar Sharma as the Managing Director of the Company and payment of remuneration (including as minimum remuneration) is subject to the approval of shareholders by way of Special Resolution. The Board of Directors of the Company recommends passing of the Special Resolution at Item No.5 of the Notice.

Details of Mr. Ajay Kumar Sharma, pursuant to the provisions of Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India and Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the notice as **Annexure A**. Statement as required under Section II, part II of the Schedule V of the Companies Act, 2013 with reference to Resolution at the Item No. 5 is annexed hereto marked as **Annexure – B**.

A copy of the Resolution passed by the Board of Directors and the Nomination and Remuneration Committee at their respective meetings held on May 20, 2022 setting out the terms of appointments and remuneration as required under Section 190 of the Companies Act, 2013 and a copy of Notice received under Section 160 of the Companies Act, 2013 are available for inspection by the members at the Registered Office at Bajaj Hindusthan Sugar Limited, Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh – 262 802, as referred in the note no. 5 of this notice.

Mr. Ajay Kumar Sharma and his relatives may be deemed to be interested in the Resolution at Item No. 5 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. 6 (Special Business)

On recommendation of Audit Committee at its meeting held on May 20, 2022, the Board has considered and approved appointment of M/s B.J.D. Nanabhoy & Co., Cost Accountants, Mumbai, to conduct the cost audit for the year ending March 31, 2023 of the Company's Sugar, Distillery and Co-gen units located at Golagokarannath, Palia Kalan, Khambarkhera, Barkhera, Maqsoodapur, Kinauni, Thanabhawan, Budhana, Bilai, Gangnauli, Pratappur, Rudauli, Utraula, and Kundarkhi at an aggregate remuneration of ₹ 4,75,000/- (Rupees Four Lakh Seventy Five Thousand only) plus service tax as applicable and reimbursement of actual travel and out of pocket expenses.

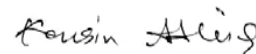
As per provisions of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost auditor has to be ratified by the shareholders of the Company.

Accordingly, consent of the shareholders is sought for passing the Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the cost auditor for the financial year ending March 31, 2023.

The Board of Directors of the Company recommends passing of the Ordinary Resolution set out at Item No. 6 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. 6 of the Notice.

By Order of the Board of Directors



Kasuik Adhikari
Company Secretary
(M. No. ACS18556)

Place : Mumbai
Dated: May 20, 2022

Registered Office:

Golagokarannath, Lakhimpur-Kheri,
District Kheri, Uttar Pradesh 262 802
Tel.: +91-5876-233754/577/8, 233403,
Fax: +91-5876-233401,
Website: www.bajajhindusthan.com
Email: investor.complaints@bajajhindusthan.com

Registrar and Share Transfer Agent:

M/s Link Intime India Private Limited
Unit : Bajaj Hindusthan Sugar Limited
C 101, 247 Park, L.B.S. Marg, Vikhroli West
Mumbai 400 083
Tel. No.: 022 49186000
Fax No.: 022 49186060
Email: rnt.helpdesk@linkintime.co.in

Annexure A

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

Name of the Director	Mr. Kushagra Bajaj	Mr. Ramani Ranjan Mishra	Mr. Ajay Kumar Sharma
Director Identification Number	00017575	09389302	09607745
Date of Birth/age	04.02.1977 45 years	01.05.1966 56 years	02.10.1967 55 years
Date of first appointment on the Board	24.04.2007	11.11.2021	20.05.2022
Relationship with other director, Manager and other Key Managerial personnel of the Company	None	None	None
No. of Board meeting attended during FY 2021-22	2	3	Not Applicable
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	M.Com, CAIIB, PGDBA	M.Sc. in Agriculture and LLB
Expertise in functional area	Expertise in Sugar and FMCG Industry	Professional Banker with 36 years of experience	Expertise in Sugar Industry with an experience over three decades
Number of shares held in the Company	9,61,04,867 Equity shares of ₹1/- each	Nil	Nil
List of other Directorships held in other public limited Companies	1) Bajaj Consumer Care Ltd. 2) Bajaj Energy Ltd. 3) Lalitpur Power Generation Company Ltd.	Nil	Nil
Chairman/Member of the Committees of the Boards of other companies in which he/she is Director			
a) Audit Committee	Nil	Nil	Nil
b) Stakeholders Relationship Committee	Bajaj Consumer Care Ltd.	Nil	Nil

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

'ANNEXURE-B' REFERRED TO IN THE EXPLANATORY STATEMENTS TO RESOLUTION AT ITEM NO. 5 OF THE NOTICE FOR 90TH ANNUAL GENERAL MEETING OF BAJAJ HINDUSTHAN SUGAR LIMITED

Statement as required under Section II, part II of the Schedule V of the Companies Act, 2013 with reference to the Resolution at Item No. 5 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: (₹ in Crore)

Sl. No.	Particulars	Audited figure for 12 month period ended 31.03.2022	Audited figure for 12 month period ended 31.03.2021	Audited figure for 12 month period ended 31.03.2020
1.	Revenue from operations	5569.09	6671.67	6,665.60
2.	Other income	21.13	16.53	11.01
3.	Total Expenses	5344.40	6492.63	6,207.01
4.	Finance Charges (net)	253.55	263.09	300.75
5.	Depreciation & Amortization	214.63	215.16	215.87
6.	Exceptional items	-	-	(60.71)
7.	Profit / (Loss) before tax	(222.36)	(282.68)	(107.73)
8.	Provision for Tax Expenses	(4.11)	(3.08)	(2.36)
9.	Profit / (Loss) after tax	(218.25)	(279.60)	(105.37)

- (5) Export performance and net foreign exchange collaborations: ₹ 31.17 crore
- (6) Foreign investment of collaborators, if any: Nil

II. Information about the appointee Mr. Ajay Kumar Sharma

- (1) Background details:

Mr. Ajay Kumar Sharma, Unit Head of Bilai Unit, is aged about 55 years and has been working with us since 2016. Prior to joining the Company, Mr. Sharma worked in a number of Sugar firms including Triveni Engineering Works, SBEC (Modi Group), RBNS Sugar, Mawana Sugar, and Modi Sugar before moving to BHSL.

- (2) Past remuneration:

For the year ended March 31, 2022	₹ 42,80,220
For the year ended March 31, 2021	₹ 38,21,628
For the year ended March 31, 2020	₹ 34,12,164

- (3) Recognition of awards: Nil
- (4) Job profile and suitability: Mr. Ajay Kumar Sharma is working with the Company for more than 6 years and in a career spanning over three decades, Mr. Sharma has worked extensively in the areas of cane procurement and development, liaising with farmers and government officials, supply chain management and operations.
- (5) Remuneration proposed: As stated in Resolution at Item No. 5, 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. Ajay Kumar Sharma is similar to that drawn by the peers in the similar capacity in the similar industry.
- (7) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any: Other than these and the remuneration paid to Mr. Ajay Kumar Sharma, there is no other pecuniary relationship of Mr. Ajay Kumar Sharma, directly or indirectly with the Company or with its managerial personnel.

III. Other information:

- (1) Reasons for loss or inadequate profits:

Inadequate profits were mainly attributable to high raw material (i.e., sugarcane prices) and other inputs costs, relatively lower realization of sugar, higher depreciation and finance expenses. Market forces determine sugar prices based on the demand-supply situation and other market dynamics, which are external factors, and the sugar prices have been relatively lower over the years due to higher production of sugar in the country.

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

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

The Company is continuously striving to improve its operational efficiency and operating parameters by way of improvement in sugar recovery, increase in production of alcohol/ ethanol by using B heavy molasses, reduction of overheads, finance, other costs and monetization of certain non-core assets etc.

The debt restructuring as per RBI's S4A Scheme has somewhat improved the Company's liquidity position. However, keeping in view the status of outstanding cane dues and funds for servicing debt obligations, the Company is further discussing with the lenders a debt resolution plan to have a lasting solution to improve its liquidity. The resolution plan envisages reduction of its overall debt, realignment of its capital structure, payment of cane dues of farmers, increasing cane availability and supply etc. The company is also exploring/ evaluating various options for corporate restructuring to streamline the business and enhance the Company's value.

The Government has also taken various measures to improve the financial health of the sugar industry in recent past, like MIEQ, buffer stock subsidy, fixing MSP for sugar; increased ethanol prices etc. Presently, the Government has put a great thrust on promoting ethanol production and has planned to increase the ethanol blending in petrol up to 20% by 2025. Ethanol will turn around the economic dynamics of the sugar industry positively. All these measures are expected to turn around the operations of the sugar industry on a sustainable basis.

The Company also expects to receive accrued benefits under the Sugar Industries Promotion policy 2004 for which it is entitled, but presently, the matter is sub-judice.

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

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

The alcohol manufacturing capacity of the Company is 800 KL per day. Increase in production due to use of Heavy B molasses and improved prices of industrial alcohol and ethanol are likely to add to both – Company's top-line and bottom-line.

Company's capability of generating an exportable surplus of 151 MW which can be supplied to the local grid, from its overall co-generation capacity provides the Company with necessary insulation from the cyclicity associated with its sugar business.

In view of the improvement in recovery of sugar increase in production of industrial alcohol/ethanol coupled with various positive initiatives taken by the Government, the Company expects that the productivity and profitability shall improve and would be comparable with the industry average.

IV. Disclosures:

- (1) Remuneration package of the managerial person: Fully described in the respective Resolution and/or Explanatory Statement;
- (2) Disclosures in the Board of Directors' report under the heading 'Corporate Governance' is to be attached to the Annual Report in respect of the following:
 - i. All elements of remuneration package such as salary, benefits, stock options, pension etc. of all the directors;
 - ii. Details of fixed component and performance linked Incentives along with the performance criteria;
 - iii. Service contracts, notice period, severance fees;

The requisite details in respect of para 2(i) to 2(iii) in respect of all Directors are given in the Corporate Governance Report for the financial year ended March 31, 2022 attached to the 90th Annual Report.



Bajaj Hindusthan Sugar Limited

CIN: L15420UP1931PLC065243

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

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

Email: investor.complaints@bajajhindusthan.com | 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:

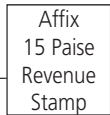
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 90th Annual General Meeting of the Company, to be held on Monday, September 26, 2022 at 11.00 a.m. at the Conference Hall, General Office, Bajaj Hindusthan Sugar Limited, Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh 262 802 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	For*	Against
Ordinary Business		
1. Adoption of Standalone and Consolidated Financial Statements of the Company for the financial year ended as at March 31, 2022 and the Reports of the Board of Directors and the Auditors thereon for the said year.	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-appointment of Mr. Kushagra Bajaj, Chairman (DIN: 00017575) as Director, who retires by rotation and being eligible offers himself for re-appointment.	<input type="checkbox"/>	<input type="checkbox"/>
Special Business		
3. Appointment of M/s. Sidharth N Jain & Company, Chartered Accountants (Firm Registration No. 018311C) as Statutory Auditors of the Company to hold office from the conclusion of this 90th Annual General Meeting until the conclusion of the 95th Annual General Meeting of the Company and fix their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>
4. Appointment of Mr. Ramani Ranjan Mishra (DIN: 09389302) as Nominee Director of the Company, liable to retire by rotation.	<input type="checkbox"/>	<input type="checkbox"/>
5. Appointment of Mr. Ajay Kumar Sharma (DIN: 09607745) as Managing Director of the Company for a period of 5 (five) years with effect from May 20, 2022 up to May 19, 2027, liable to retire by rotation and fixing remuneration.	<input type="checkbox"/>	<input type="checkbox"/>
6. Ratification of the remuneration payable to cost auditors for the year 2022-23.	<input type="checkbox"/>	<input type="checkbox"/>

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

Signed day of 2022

Signature of the proxy holder(s) _____



- Notes:
- *1. Please put a "X" in the Box in the appropriate column against the respective resolutions. If you leave the "For" or "Against" column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
 - 2. This form of proxy in order to be effective, should be duly completed, stamped, signed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.
 - 3. For the Resolutions, Statement setting out material facts thereon and notes, please refer to the Notice of the 90th Annual General Meeting.



Bajaj Hindusthan Sugar Limited

CIN: L15420UP1931PLC065243

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

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

Website:www.bajajhindusthan.com, Email: investor.complaints@bajajhindusthan.com

ATTENDANCE SLIP FOR 90TH 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 :

Jointly with :

No. of Shares :

I/We hereby record my/our presence at the 90th Annual General Meeting of the Company on Monday, September 26, 2022 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

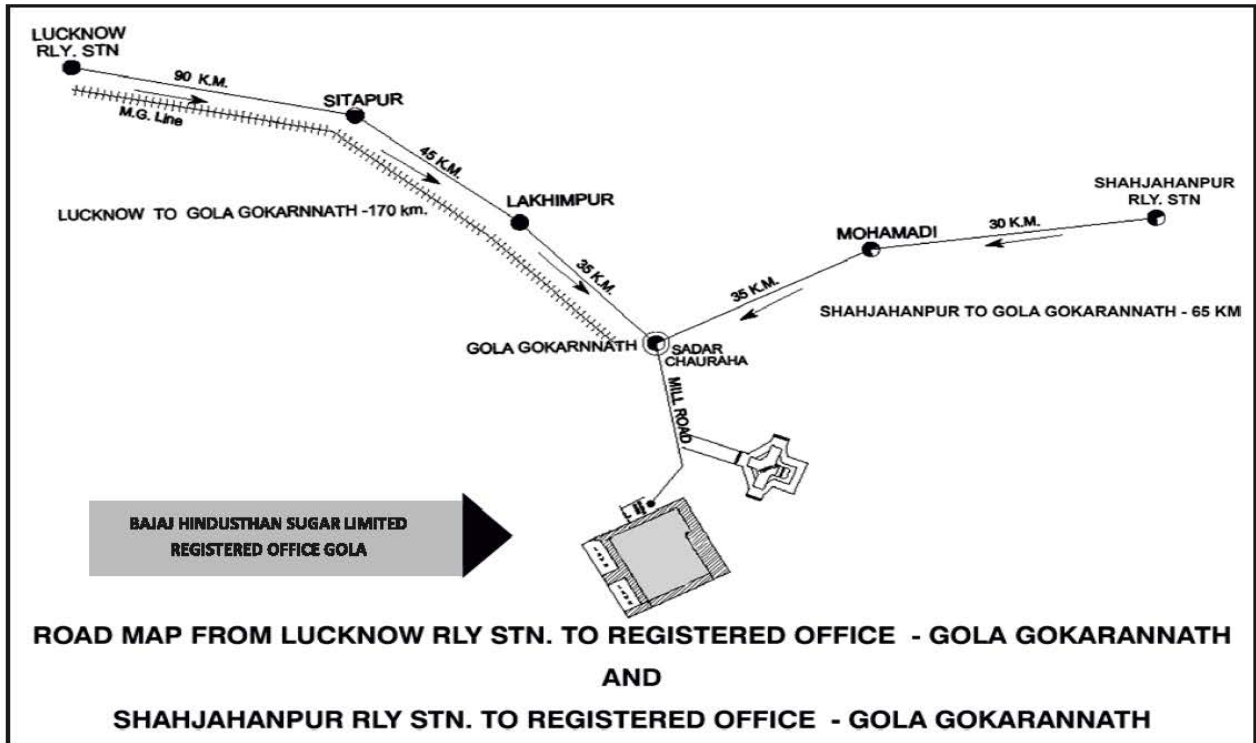
Fourth holder/Proxy

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 90th AGM Notice.

EVSN (Remote e-voting Sequence Number)	USER ID	PASSWORD/PIN
120964		

**LOCATION OF THE CONFERENCE HALL, GENERAL
OFFICE 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 Conference Hall, General Office, BHSL 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 cut-off date i.e. September 19, 2022
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.

bajaj SUGAR

Fuelling a New Dawn

bajaj GROUP
THINK TOMORROW

Ninetieth
Annual Report | 2021-2022



1,530

Villages reached

4,13,924

Families Benefited

19,36,015

Population Covered

Promotion of micro irrigation devices like sprinklers and Drip save water for irrigation up to 70-80% . Under the interventions 8580 farmers have been benefited.

GLIMPSES OF CSR PROGRAMME

Figures shown below in parentheses indicate the achievements during the year 2021-22; rest of the figures reflect the cumulative achievements over the years.



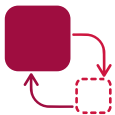
Biogas: A boon for the Rural Community

5,922 biogas plants installed (347)
1,835 Domestic Solar Light/Solar Streetlight Unit Installed (1,050)
1,292 farmers benefited under Solar Pump-Offgrid (554)



Rural Infrastructure Development

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



Design for change

388 Design for change initiative (52)



Promotion of indigenous cows

8,374 families adopted Indigenous Cows



Skill and entrepreneurship development

5,024 Youth benefited under Skill Development Programme (560)



Village institutions

6,850 Village institutions established (55)



Health Camp

18,729 Villagers benefited under health camp/Mobile dispensary programme

Biogas is clean non-polluting fuel, it impacted positively on the health of rural women. It also reduces the fuel wood consumption, and supports mitigating global warming.



Installation of Biogas plant, which provides clean non-polluting easy fuel and it also impacted positively on the health of rural women.



Under Design for Change project students identified the importance of rain water harvesting and constructed a community based rain water harvesting structure.



Village level institutions are community based organisation which supports our interventions at grass root level.



WOMEN EMPOWERMENT

Under Income
Generation activities
the members of Self
Help Groups (SHGs)
motivated to install
handlooms units and
train them in weaving
of cloths of Khadi.



76,496 women are benefited under the programmes of Self-Help Groups, Income Generation Activities, dissemination of Indigenous Cows and installation of Biogas Plants in 970 villages.

The members of SHGs motivated to initiate their own enterprise as income generation activities. 8091 families have been supported under the intervention



4,421 Self-Help Groups formed

56,294 families benefited

17,800 families covered under kitchen garden (4,900)

8,091 families benefited under Rural Enterprise (800)

518 Special initiative for needy family (81)

2,071 Sock Pit Constructed

A man in a blue plaid shirt and jeans stands next to a circular concrete recharge structure. The structure is partially filled with water and is surrounded by a field of green crops. A large red circular graphic is overlaid on the left side of the image, containing the text.

WATER RESOURCES DEVELOPMENT AND SOIL CONSERVATION STRUCTURES

The recharge structures constructed have been converted into Wells. 2,341 wells recharge structures converted by farmers into wells.



Community Recharge Structure serve rain water harvesting. These structure constructed to increase the ground water table.



- 245 Rivers/streams of 687.88 km length rejuvenated (9.65)
- 109 Check dams constructed (02)
- 4,585 Farm Ponds/Recharge Pits constructed (1,078)
- 4,329 Wells Recharged (1,230)
- 2,342 Common, Group, Single, Roof Rainwater harvesting structures constructed (525)
- 365 Group Wells constructed (36)
- 1,405 Individual Wells Deepening (420)
- 1,669 lift irrigation devices installed (30)
- 50 percolation tanks constructed
- 8,580 Drip and Sprinkler Irrigation Systems Supported (1548)
- 3,960 Boribundhs Installed (950)
- 1,517 acres of farm bunds formed
- 1,763 Gabion structures formed, 2,225 Families Benefited
- 5,568 Acres of land levelled and brought under cultivation



Boribandh is a low cost water harvesting structures used for the harvesting of rain water. 3,960 boribandhs have been constructed.

79,587 families and 2,99,769 acres of land are covered under Water Resource Development and Soil Conservation Programme in 1378 villages.

PROMOTION OF SUSTAINABLE AGRICULTURE



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

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

26,416 families benefited under WADI project (2,775)

20,736 farmers adopted under Natural farming (4,677)

14,706 acres under vegetables/Mini Drip with overhead Tank/cash crops/floriculture (3,251)

84,895 Farmers covered under 3,321 trainings arranged for the promotion of Natural Farming (17,507 Farmers covered under 776)

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

2,046 families benefited under climate proofing project

23 farmers producers' companies established (5)

139 grameen fridge constructed

896 cattle drinking systems/chaff cutter

1,15,714 farming families and 1,56,312 acres of land are benefited under a programme of Sustainable Agriculture Practices in 1,370 villages.



Farmers are trained in Natural Farming through conducting Farmers Field Schools. Demonstration of plot of vegetables cultivation under Natural Farming in Climate Proofing Project.



Farmers have been supported for marketing of their agriculture produce by providing vegetable selling van.



Under Design For change initiatives students created the awareness on village cleanliness as a part of their DFC project. More than 350 projects have been completed under the initiatives.



Solar home lights have been distributed to 1835 needy families.



Members of SHGs motivated through exposures visits to undertake handlooms as income generation activity.



Rural Haat Constructed in collaboration with NABARD has provided opportunity to 62 vendors to sell their products under a single roof. The rural haat benefited to the 12 nearby villages.



To increase the green cover as innovative way of seed ball plantation have been adopted on the banks of rejuvenated rivers.



Damini Women Farmers Producers Company initiated business of turmeric processing, packaging and selling from their company.



CHAIRMAN'S LETTER

**KUSHAGRA
BAJAJ** Chairman

Dear Shareholders,

It gives me immense pleasure to present to you the 90th Sugar Annual Report for what was an extraordinary set of 12 months for your Company, not merely from a business viewpoint but also from the point of the challenges, it endured and managed to overcome during this period.

Last year, around March when the murmurs of a second wave of COVID-19 began to be heard, we had barely got any respite from the devastation caused by the first wave of the pandemic. At the time, the nationwide vaccination programme was still in its infancy with people largely circumspect about stepping out of their homes and businesses in the process of picking up the pieces after a bruising 12 months. And just then, as if enough damage hadn't already been done, the "delta" variant of the virus hit us with an unimaginable ferocity. A healthcare system, already stretched thin in the wake of the first wave, capitulated under the weight of fresh caseloads leaving tens of thousands helpless and fighting for their lives.

This second wave wreaked havoc on a tragic scale causing widespread fear and panic among the

masses. It brought on a lockdown equally severe as the first one, dashing precious hopes of any sense of “return to normalcy” for the foreseeable future. The shades of recovery seen during the last two quarters of FY 2020-21 seemed to matter little as businesses braced once again for an “endless” lockdown. However, thankfully by June, the severity of the second wave began waning with fewer new infections, hospitalisations and deaths. Wisened by their earlier experience, the government and the industry wasted little time in implementing measures to put things back on track.

Similar scenes played out globally as economies continued to struggle and seek relief from the effects of the disruption caused by a constantly mutating virus that seemed to grow stronger and stealthier with time. The second wave affected nations to varying degrees of bad, impacting business recovery measures and outcomes.

Thanks in large part to the gains made in the last two quarters of FY 2020-21, the optimism around sugar demands sustained even during the worst phases of the second wave. With prices holding, the domestic sugar industry managed to remain profitable throughout the year.

In India, sugar production was up by 9.0 percent at 28.32 million tonnes between October’21 and March’22 on account of higher cane output and better yields, according to Indian Sugar Mills Association (ISMA) numbers. Out of this, roughly 23.62 million tonnes was consumed locally leaving a record 4.7 million tonnes for exports which jumped over 2.5 times between October’21 and February’22.

The export numbers were up on account of higher-than-average world prices and high supplies. For the sugar season 2021-22, a total 75 lakh metric tonnes (LMT) of sugar was exported till May 18, 2022. As per PIB, Govt. of India, countries including Indonesia, Afghanistan, Sri Lanka, Bangladesh, UAE, Malaysia and a handful of African countries were among the major importers of sugar.

Globally too, sugar production remained consistent with USDA’s “Sugar: World Markets and Trade”

estimates at 181 million tonnes for Marketing Year (MY) 2021/22 with drop in Brazil offset by gains in the EU, Russia, Thailand, and India. On the demand side, the growth markets of China, India, and Russia continued to lead the numbers.

I am happy to share that your Company during the year ended March 31, 2022, crushed 12.589 MMT of sugarcane as against 15.603 MMT in the previous year. This year, sugar recovery was 10.36% as against 11.06% in the previous year. During the year 2021-22, the Company has diverted 7.578 MMT (60.20%) sugarcane for producing B-heavy molasses owing to which sugar recovery was lower. Had there been no diversion, sugar recovery for the year would have been 11.36% as compared to 11.47% in previous year. During the year, the Company produced 12,85,927 MT sugar (previous year 17,25,981 MT) and 2,10,038 MT C-molasses (previous year 5,32,403 MT) and 4,77,183 MT B-heavy molasses (previous year 2,51,560 MT). The Company sold 13,05,254 MT of sugar and 1,19,034 MT of molasses during the year as against 18,52,660 MT of sugar and 4,23,397 MT of molasses during the previous year. Approximately, 1,25,034 MT of sugar production is estimated to have been sacrificed in favour of ethanol production through B-heavy molasses. This year, the Company crushed 1,80,808 MT sugarcane (previous year Nil) for cane syrup for ethanol production.

The Industrial Alcohol / Ethanol production was 1,73,261 KL as against 90,903 KL in the previous year. Alcohol / Ethanol sale during the year was at 1,75,480 KL as against 84,262 KL during the previous year. The Company continues its endeavour to produce ethanol from B-heavy molasses route by diverting cane for the same. The Company produced 1,01,439 KL of Ethanol during the year as against 29,335 KL in the previous year out of B-heavy molasses. Ethanol sales during the year produced from B-heavy molasses stood at 1,02,311 KL at an average realisation of ₹ 58,230 per KL as against 24,970 KL at an average realisation of ₹ 57,593 per KL in the previous year. Ethanol sales from molasses produced from C-heavy route stood at 60,536 KL at an average realisation of ₹ 42,320 per KL as compared to 59,292 KL at an average realisation of ₹ 42,702 per

KL in previous year. Ethanol sales from molasses produced from C-heavy route was lower in the current year as the Company chose to produce and sell Ethanol from B-heavy molasses route. Blended realisation for total industrial alcohol (including ENA) sales stood at ₹ 53,114 per KL as compared to ₹ 47,115 per KL in previous year.

During the year, Power generation was at 643.96 Million Units (MUs) as against 751.43 MUs in the previous year. The Company exported 145.97 MUs of power as against 186.66 MUs during the previous year.

Much like sugar, ethanol continued to offer us reasons to be optimistic about our play in burgeoning sector. Compared to previous financial year, your Company almost doubled its ethanol production during FY 2021-22 with 1,73,261 KL. Encouraged by the government's continued push for higher ethanol production and increased blending rates, we put in place several measures to boost capacities at our distilleries and turned to making ethanol from B heavy molasses as well as directly from sugar syrup.

Sugar mills which were contracted to supply 391.85 crore litres of ethanol by Oil Marketing Companies (OMCs) had supplied 113.17 crore litres till early March'22. Out of this, roughly 86 per cent ethanol was made from B heavy molasses and sugarcane juice. As far as the blending percentages went, per ISMA the country on an average achieved a blending percentage of 9.45 per cent between Dec-Mar 2021 period.

Below par as these numbers may appear, especially when compared with the targeted production of roughly 1,500 crore litres and blending rates as high as 20 per cent by 2025, the fact that the industry has responded enthusiastically to the promise of ethanol is a positive sign for all of us.

Based on the government's own ethanol roadmap and the many cues offered by its representatives from various platforms, in the coming days we expect a further push on policy matters to make ethanol an even more attractive option for sugar manufacturers and encourage OMCs to put in

place infrastructure capable of handling larger volumes. Additionally, policy tweaks in the auto sector – such as measures which encourage higher blending percentages and introduction of flex-fuel engines that can run on 100 percent ethanol – will incentivise ethanol production which in turn will iron out some of the inconsistencies between expectations and ground realities.

Energy security has long remained one of India's most strategic of goals and with the growing clamour around climate change and nations having to dial back emissions, in ethanol we have a viable alternative which can not only lower India's import dependencies and cut down pollution but also lend the strategic heft that has long eluded her.

Estimates suggest that India could slash up to 8 per cent of its total oil import bill (that's nearly USD 55 billion annually) simply by transitioning to E20 fuel i.e. petrol blended with 20 percent ethanol. Besides, ethanol also stands to create thousands of new jobs and revitalise our rural economy thereby making farmers a formal part of India's energy narrative.

While India's ethanol story is still relatively new and continues to develop, between the policy initiatives of the government, the evolving market for ethanol, and our own preparedness for its manufacture, your Company remains extremely bullish of its positioning in terms of its near and long-term ethanol play.

We believe ethanol to be a "game-changer" in the fast-evolving energy landscape and as the push for greener alternatives to conventional sources of energy gathers momentum, your Company is extremely well-poised to capitalise on the opportunity.

As we transition from being a pure play sugar manufacturer to one of the leading ethanol producers in the country, we remain acutely aware of our sustainability agenda too. In fact, our ethanol play is in large part driven by our focus on acquiring a greener, more sustainable posture.

During FY 2021-22, your Company invested heavily

in “updating” itself and I’m happy to report that we now comply with the most stringent of industry norms including the latest from NGT and CPCB. Thanks to newly implemented water recycling systems, our distilleries have achieved Zero Liquid Discharge (ZLD) status preventing wastage and release of pollutants in the environment. We have also put considerable efforts in boosting capacities such that resources are used optimally while ensuring quality and enhanced production.

Extricating your Company from its subpar financial performance and returning it to profitability has been our singular mission for the last few years and we made substantial progress towards that goal during FY 2021-22. I am pleased to inform you that we’ve taken a number of measures to improve operational efficiencies and are considering several other corporate restructuring measures – including restructuring of the debt* – to tide over the current set of challenges. In fact, we are currently in discussion with a consortium of lenders for realigning the existing debt so as to meet all our obligations and reach a lasting solution for the collective benefit of all the stakeholders.

No business of any real standing is immune to vagaries of time, shifting market dynamics, and obstacles as it attempts to chart a course for the future and grow. Your Company not only has the distinction of being India’s largest integrated sugar brand but is also one of the world leaders in its sector. And while it is no secret that the business has had to navigate some rough waters, we remain firmly optimistic about our future. Our vision which saw us grow from 2 sugar plants to 14 in a short span of time continues to guide us as we head into what promises to be an exciting future for us all.

I wish to take this opportunity to thank all our stakeholders including our farmers, customers, business associates & supply chain partners, investors, bankers, state and central government agencies, and lakhs of Indians who form a part of our family, for their continued support in ensuring the well-being of your Company. Your trust gives us strength to carry on and attempt to fuel a new dawn for us all.

End

** In March'22, the Company's Board granted in-principle approval for evaluating various options for capital restructuring/realignment, resolution plan for debt, and various other corporate restructuring options to streamline operations and enhance stakeholder value. A filing to the effect was made to regulator.*



5 YEARS PERFORMANCE TRENDS : 2018-2022

₹ Crore

BALANCE SHEET	31.03.2022	31.03.2021	31.03.2020	31.03.2019	31.03.2018
ASSETS					
Non-current assets					
Property, plant and equipment	6,799.28	6,985.26	7,178.15	7,390.08	7,535.76
Right of use assets	4.21	6.78	9.44	-	-
Capital work-in-progress	4.29	25.17	43.07	16.56	65.79
Other intangible assets	-	-	-	-	-
Financial assets					
Investments	92.34	140.24	191.68	251.27	1,055.92
Other non-current financial assets	13.39	12.86	2.07	3.99	2.35
Other non-current assets	137.98	133.56	14.14	12.97	15.78
Sub total	7,051.49	7,303.87	7,438.55	7,674.87	8,675.60
Current assets					
Inventories	2,745.56	2,541.34	2,711.39	2,764.98	2,847.88
Financial assets					
Current investments	770.13	770.13	770.13	770.13	-
Trade receivables	213.87	213.87	173.18	206.05	192.43
Cash and cash equivalents	47.33	63.00	100.69	48.10	31.28
Bank balances	0.00	0.00	10.49	11.42	23.39
Loans and interests accrued	2,088.79	2,091.29	2,091.29	2,146.58	2,002.04
Current tax assets (net)	7.92	5.38	4.26	3.76	4.41
Other current assets	685.16	685.33	789.32	779.81	815.63
Sub total	6,558.76	6,375.20	6,650.75	6,730.83	5,917.06
Total	13,610.25	13,679.07	14,089.30	14,405.70	14,592.66
EQUITY AND LIABILITIES					
Equity					
Equity share capital	124.45	110.07	110.07	110.07	110.07
Other equity	2,752.94	2,830.84	3,144.21	3,294.98	3,387.79
Sub total	2877.39	2,940.91	3,254.28	3,405.05	3,497.86
Liabilities					
Non-current liabilities					
Financial liabilities					
Borrowings	4,243.83	4,802.32	5,139.53	5,382.09	5,892.42
Lease liabilities	2.46	4.84	7.28	-	-
Provisions	89.50	76.58	69.26	53.75	43.35
Deferred tax liabilities (net)	505.63	590.94	610.07	629.46	642.54
Other non-current liabilities	22.00	35.84	25.98	21.74	13.70
Sub total	4,863.41	5,510.52	5,852.12	6,087.04	6,592.01
Current liabilities					
Financial liabilities					
Borrowings	543.01	579.09	-	-	156.26
Lease liabilities	2.38	2.43	-	-	-
Trade payables	4,092.25	4,459.92	4,439.52	4,161.92	3,372.67
Other financial liabilities	79.29	15.24	390.16	663.91	773.32
Other current liabilities	1,131.74	154.77	139.71	76.20	190.60
Provisions	20.78	16.19	13.51	11.58	9.94
Sub total	5,869.45	5,227.64	4,982.90	4,913.61	4,502.79
Total	13,610.25	13,679.07	14,089.30	14,405.70	14,592.66

₹ Crore

NET INCOME STATEMENT Year / period ended	31.03.2022	31.03.2021	31.03.2020	31.03.2019	31.03.2018
INCOME					
Revenue from operations	5,569.09	6,671.67	6,665.60	6,803.82	5,938.38
Other income	21.13	16.53	11.01	163.61	166.93
Total	5,590.22	6,688.20	6,676.61	6,967.43	6,105.31
EXPENSES					
Purchases and materials consumed	4,609.93	5,297.32	5,363.34	5,658.63	4,900.53
Manufacturing & other expenses	944.14	1,002.00	783.50	735.61	757.60
Changes in inventories of finished goods and work-in-progress	(209.67)	193.31	60.17	106.42	(2.60)
Total	5,344.40	6,492.63	6,207.01	6,500.66	5,655.53
Profit/ (loss) before depreciation, interest and tax (PBIDT)	245.82	195.57	469.60	466.77	449.78
Finance cost	253.55	263.09	300.75	321.78	680.17
Depreciation and amortisation	214.63	215.16	215.87	211.33	196.91
	468.18	478.25	516.62	533.11	877.08
Profit / (loss) before exceptional items and tax	(222.36)	(282.68)	(47.02)	(66.34)	(427.30)
Exceptional items	-	-	(60.71)	-	-
Profit / (loss) before tax (PBT)	(222.36)	(282.68)	(107.73)	(66.34)	(427.30)
Tax expense	(4.11)	(3.08)	(2.36)	(2.26)	(4.11)
Profit / (loss) after tax (PAT)	(218.25)	(279.60)	(105.37)	(64.08)	(423.19)
Dividend	-	-	-	-	-

BOARD OF DIRECTORS

Kushagra Bajaj
Chairman
(Non-Executive)

Ajay Kumar Sharma
Managing Director
(w.e.f. 20.05.2022)

Ashok Kumar Gupta
Managing Director
(up to 30.06.2021)

Veer Pal Singh
Executive Director
(From 02.07.2021 to
12.08.2021)

Alok Kumar Vaish
Managing Director
(From 13.08.2021 to
20.05.2022)

D. K. Shukla
Independent Director

Atul Hasmukhrai Mehta
Independent Director

Vinod C Sampat
Independent Director

Shalu Bhandari
Independent Director

Ashok Mukand
Nominee Director (SBI)

Amir Singh Yadav
Nominee Director (PNB)
(Up to 02.11.2021)

Ramani Ranjan Mishra
Nominee Director (PNB)
(w.e.f. 11.11.2021)

COMPANY SECRETARY
Kausik Adhikari
Company Secretary

CHIEF FINANCIAL OFFICER
Alok Kumar Vaish
Chief Financial Officer
(up to 12.08.2021)

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

STATUTORY AUDITORS
R.S. Dani & Co.
Chartered Accountants
(Up to 28.03.2022)

Sidharth N Jain & Company
Chartered Accountants

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

SECRETARIAL AUDITOR
Anant B Khamankar & Co.
Company Secretaries

BANKERS

Bank of Baroda

Bank of India

Bank of Maharashtra

Central Bank of India

Canara Bank

IDBI Bank Limited

Indian Bank

Indian Overseas Bank

Punjab National Bank

State Bank of India

UCO Bank

Union Bank of India

REGISTERED OFFICE



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



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+91-5876-233401



investor.complaints@bajajhindusthan.com



www.bajajhindusthan.com

CIN: L15420UP1931PLC065243

REGISTRAR & TRANSFER AGENT



Link Intime India Private Limited., C 101, 247 Park,
L.B.S. Marg, Vikhroli West, Mumbai - 400 083



Tel.: +91-22-49186000



Fax: +91-22-49186060



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

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Board's Report

Dear Members,

Your Directors have pleasure in presenting their Ninetieth annual report and the audited financial statements for the year ended March 31, 2022.

Financial highlights

The summarised financial results of the Company for the year ended March 31, 2022 are presented below:

	Year ended March 31, 2022	Year ended March 31, 2021
		₹ Crore
Sales and other income	5,590.22	6,688.20
Profit/(Loss) before depreciation, interest and tax	245.82	195.57
Depreciation and amortisation	214.63	215.16
Profit/(Loss) after depreciation but before interest and tax	31.19	(19.59)
Finance costs (Net)	253.55	263.09
Profit/(Loss) before tax	(222.36)	(282.68)
Provision for taxation (Net)	(4.11)	(3.08)
Profit/(Loss) after tax	(218.25)	(279.60)
Opening balance b/f	(1,485.93)	(1,205.37)
Disposable surplus after adjustments	(1,704.18)	(1,484.97)
Transfer to reserve for molasses storage tank	0.93	0.96
Transferred from Remeasurement of defined employee benefits	3.86	-
Balance carried to balance sheet	(1,708.97)	(1,485.93)

On a standalone basis, the Company achieved a turnover (including other income) of ₹ 5,590.22 crore for the year ended March 31, 2022 as compared to ₹ 6,688.20 crore in the previous year. The loss after tax is ₹ 218.25 crore as compared to the loss of ₹ 279.60 crore in the previous year. On a consolidated basis, the turnover including other income is ₹ 5,607.56 crore as compared to ₹ 6,688.56 crore in the previous year. The loss after tax and minority interest is ₹ 267.54 crore as against loss of ₹ 290.82 crore in the previous year.

Dividend

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

Dividend distribution policy

The Board of Directors at its meeting held on February 13, 2017 approved the Dividend Distribution Policy containing the requirements mentioned in regulations 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy is annexed as "Annexure I" and forms part of this Report.

Operations

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

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

Sugar

During the year ended March 31, 2022, the Company crushed 12.589 MMT of sugarcane as against 15.603

MMT in the previous year. This year, sugar recovery was 10.36% as against 11.06% in the previous year. During the year 2021-22, the Company has diverted 7.578 MMT (60.20%) sugarcane for producing B-heavy molasses owing to which sugar recovery was lower. Had there been no diversion, sugar recovery for the year would have been 11.36% as compared to 11.47% in previous year. During the year, the Company produced 12,85,927MT sugar (previous year 17,25,981 MT) and 2,10,038 MT C-molasses (previous year 5,32,403 MT) and 4,77,183 MT B-heavy molasses (previous year 2,51,560 MT).

The Company sold 13,05,254 MT of sugar and 1,19,034 MT of molasses during the year as against 18,52,660 MT of sugar and 4,23,397 MT of molasses during the previous year. Approximately 1,25,034 MT of sugar production is estimated to have been sacrificed in favour of ethanol production through B-heavy molasses. This year, the Company crushed 1,80,808 MT sugarcane (previous year Nil) for cane syrup for ethanol production.

Sugarcane availability was lower as compared to previous year and the Company has diverted Sugarcane for producing B-heavy molasses and Syrup owing to which sugar recovery was lower, subsequently sugar production was lower by around 20%.

Distillery

The Industrial Alcohol / Ethanol production was 1,73,261 KL as against 90,903 KL in the previous year. Alcohol / Ethanol sale during the year was at 1,75,480 KL as against 84,262 KL during the previous year.

The Company continues its endeavour to produce ethanol from B-heavy molasses route by diverting cane for the same. The Company produced 1,01,439 KL of Ethanol during the year as against 29,335 KL in the previous year out of B-heavy molasses.

Ethanol sales during the year produced from B-heavy molasses stood at 1,02,311 KL at an average realisation of ₹ 58,230 per KL as against 24,970 KL at an average realisation of ₹ 57,593 per KL in the previous year. Ethanol sales from molasses produced from C-heavy route stood at 60,536 KL at an average realisation of ₹ 42,320 per KL as compared to 59,292 KL at an average realisation of ₹ 42,702 per KL in the previous year. Ethanol sales from molasses produced from C-heavy route was lower in the current year as the Company chose to produce and sell Ethanol from B-heavy molasses route. Blended realisation for total industrial alcohol (including ENA) sales stood at ₹ 53,114 per KL as compared to ₹ 47,115 per KL in previous year.

During the year 2020-21, Distillery plants were in major maintenance so that had been run for 193 days, while in current year 2021-22, all plants had been ready for production and run for 261 days.

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 643.96 Million Units (MUs) as against 751.43 MUs in the previous year. The Company exported 145.97 MUs of power as against 186.66 MUs during the previous year.

Impact of COVID-19

The outbreak of 2nd wave of deadly COVID-19 virus affected the business operation across the country. However, Indian sugar industry was permitted to crush cane on the grounds that sugar was categorised as an essential commodity. For the Company, the focus immediately shifted to ensuring the health and well-being of all employees.

Listing of securities

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

Subsidiary and Associate Companies

As on March 31, 2022, the Company had the following Subsidiaries and Associates, all of them are presently unlisted:

Subsidiaries:

1. Bajaj Aviation Private Limited (BAPL) – (Holding 100%).
2. Bajaj Power Generation Private Limited (BPGPL) – (Holding 100%).
3. Bajaj Hindusthan (Singapore) Private Limited (BHSPL) – (Holding 100%).

4. PT. Batu Bumi Persada, Indonesia – (step down subsidiary being 99.00% subsidiary of BH(S)PL).
5. PT. Jangkar Prima, Indonesia – (step down subsidiary being 99.88% subsidiary of BH(S)PL).

Associate:

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

Performance and financial positions of subsidiaries and associates

- a) Bajaj Aviation Private Limited: During the year ended March 31, 2022, Bajaj Aviation Private Limited continued to provide Air Transport Services through Air Craft – Falcon LX 2000. In addition to this, the Company also leased out its Helicopter - Bell 407 to another company providing Air – Transportation Services.
- b) Bajaj Power Generation Private Limited: No substantial progress could be made as regards proposed 1,980 MW (3x660 MW) power project to be set up by the company through its wholly-owned subsidiary, Bajaj Power Generation Private Limited (BPGPL), primarily due to non-execution of water use agreement. While the Company continued its all-out efforts to seek confirmation from Uttar Pradesh Power Corporation Limited (UPPCL) to facilitate supply of water, in absence thereof it could not obtain coal linkage from Standing Linkage Committee. On the other hand, the Company received a termination notice from UPPCL to terminate Power Purchase Agreement (PPA). The notice was duly contested by the company, leading to litigation in this regard. Consequently, pursuant to an order passed by Uttar Pradesh Electricity Regulatory Commission, the PPA stands terminated.

In view of the progress already made during the earlier years, BPGPL is exploring various alternatives and taking all necessary steps to establish project under the policies formulated by Ministry of Power, Government of India.

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

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

Consolidated Financial Statements

In compliance with Section 129(3) of the Companies Act, 2013 and Rules made thereunder, Indian Accounting Standard (Ind AS) 110, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Consolidated Financial Statements form part of this Annual Report. Consolidated Financial Statements presented by your Company include financial information about its aforesaid subsidiaries and associates. The standalone financial statements of BHSL as well as its aforesaid subsidiaries and its associates will be available on the website of the Company (www.bajajhindusthan.com).

Directors and Key Managerial Personnel

Retirement by rotation

Mr. Kushagra Bajaj, (DIN: 00017575) Director of the Company will retire by rotation and being eligible offers himself for reappointment. Appointment of Mr. Kushagra Bajaj is in compliance with the provisions of Section 164(2) of the Companies Act, 2013.

Appointment of Directors and Key Managerial Personnel

Mr. Alok Kumar Vaish (DIN: 07250267), was appointed as Managing Director of the Company at the 89th Annual General Meeting for a period of Five (5) years with effect from August 13, 2021. Mr. Ramani Ranjan Mishra (DIN: 09389302) was appointed as Nominee Director (Punjab National Bank) of the Company with effect from November 11, 2021.

Mr. Ajay Kumar Sharma (DIN: 09607745) was appointed as Additional Director and Managing Director of the Company with effect from May 20, 2022 subject to approval of shareholders at the ensuing 90th Annual General Meeting.

The profile of Mr. Alok Kumar Vaish, Mr. Ramani Ranjan Mishra and Mr. Ajay Kumar Sharma are given in the Corporate Governance Report.

Mr. Alok Kumar Vaish ceased as Chief Financial Officer of the Company with effect from August 12, 2021.

Mr. Sunil Kumar Ojha, was appointed as the Chief Financial Officer of the Company with effect from August 14, 2021. Mr. Ojha, aged about 48 years, is working with our group since 18.08.2000. He has an experience of more than 24 years in areas of Finance, Budgeting and Accounts & Financial Management. He is a Chartered Accountant & CMA (ICWA). Prior to joining us, he was working with M/s. Anand Engineering Ltd. (formerly BIDCO), Noida and has also worked with The Pratappur Sugar & Industries Ltd., Bajaj Hindusthan Limited, Bajaj Hindusthan Sugar & Industries Ltd. and Basti Sugar Mills Ltd.

Cessation of Director

Mr. Ashok Kumar Gupta (DIN 02608184), Managing Director, Mr. Veer Pal Singh (DIN: 09221819), Executive Director and Mr. Amir Singh Yadav (DIN: 08481111), Nominee Director of the Company ceased as director of the Company with effect from June 30, 2021, August 12, 2021 and November 02, 2021 respectively. The Board placed on record its appreciation for the valuable services rendered by the aforesaid directors.

Mr. Alok Kumar Vaish has tendered his resignation from the post of Managing Director and accordingly ceased as a director of the Company with effect from May 20, 2022.

Board evaluation

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

Induction and training of Board members

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

Independent Directors' Declaration

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Directors' responsibility statement

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

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

Auditors and Auditors' Report

Auditors and their report

M/s. R.S. Dani & Co., Chartered Accountants have tendered their resignation from the position of Statutory Auditors vide their letter dated March 28, 2022. Shareholders of the Company vide the resolution passed on May 01, 2022 have appointed M/s. Sidharth N Jain & Company, Chartered Accountants (Firm Registration No. 018311C), as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. R.S. Dani & Co., till the conclusion of the ensuing 90th annual general meeting.

The auditors in their report to the members, have given qualification, observation, emphasis of matter and key audit matters and the explanation/comments of your directors with respect to it are as follows:

1. Explanation to 3rd para of the Audit report regarding qualified opinion

As per the Master Framework Agreement (MFA) executed between the Company and Lenders on December 16, 2017 pursuant to the S4A Scheme, the Company is regularly servicing the coupon rate attached to the Optionally Convertible Debentures (OCD). The difference between weighted average interest and coupon rate being Yield to Maturity (YTM) though, accruing on annual basis from the date of allotment is payable as redemption premium in a phased manner in 13 equal instalments commencing from the financial year 2024-25. The management is of the view that such YTM as redemption premium is payable only in the event of redemption of OCDs and not upon the conversion of the OCDs into the equity shares of the Company, based on the right of conversion as may be exercised by the holders from time to time. Accordingly, the Management considers such YTM as a contingent liability and has not provided the premium in the books of the Company.

2. Explanation to para 5 of the Audit report regarding Material Uncertainty related to Going Concern

The Management is continuously striving to improve its operational efficiency and operating parameters by way of improvement in sugar recovery, increase in production of alcohol/ethanol by using B-heavy molasses, reduction of overheads, finance, other costs and monetisation of certain non-core assets etc.

The debt restructuring as per RBI's S4A Scheme has somewhat improved the Company's liquidity position. However, keeping in view the status of outstanding cane dues and funds for servicing debt obligations, the management is further discussing with the lenders a debt resolution plan to have a lasting solution to improve its liquidity. The resolution plan envisages reduction of its overall debt, realignment of its capital structure, payment of cane dues of farmers, increasing cane availability and supply etc. The management is also exploring/evaluating various options for corporate restructuring to streamline the business and enhance the Company's value.

The Government has also taken various measures to improve the financial health of the sugar industry in recent past, like MIEQ, buffer stock subsidy, fixing MSP for sugar; increased ethanol prices etc. Presently, the Government has put a great thrust on promoting ethanol production and has planned to increase the ethanol blending in petrol up to 20% by 2025. Ethanol will turn around the economic dynamics of the sugar industry positively. All these measures are expected to turn around the operations of the sugar industry on a sustainable basis. The Management also expects to receive accrued benefits under the Sugar Industries Promotion Policy 2004 for which it is entitled, but presently, the matter is sub-judice.

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

3. Comments to para 8 of the Audit report regarding Emphasis of Matter

Management is of the view that sufficient efforts are being undertaken to revive the said subsidiaries in the foreseeable future so as to recover carrying value of the investments, loans, receivables. Further investments made, loans given and receivable due from other company is also considered good and recoverable / realisable based on the future business plan of this company, and on-going efforts towards obligation casted on the Company and its promoters to recover the outstanding loans in phased manner.

4. Comments on Key audit matters of the Audit report regarding Impairment assessment for Investments, loans and interest on loan-related party companies

Please refer the comments on Sr. 3 above regarding recovery of outstanding loans and sale of investment and accordingly no impairment have been identified by the management based on above assessment.

Statement on Impact of Audit Qualifications for Audit Report with Modified Opinion

Pursuant to Regulation 34(2)(a), statements on Impact of Audit Qualifications as stipulated in Regulation 33(3)(d) for Modified Opinions on standalone and consolidated financial statements are attached as Annexure "IX" and "X" and forms part of this report.

Cost auditors and their report

Pursuant to Section 148 of the Companies Act, 2013, the Board of Directors on the recommendation of the Audit Committee appointed M/s. B.J.D. Nanabhoy & Co., Cost Accountants, Mumbai (Firm Registration No. 000011) as the Cost Auditors of the Company for financial year 2022-23 and has recommended their

remuneration to the shareholders for ratification at the ensuing Annual General Meeting. The Cost Audit Reports for the financial year ended March 31, 2021 for the products Sugar, Industrial Alcohol and Electricity was filed with the Ministry of Corporate Affairs on September 01, 2021.

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 and Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, M/s. Anant B Khamankar & Co., Company Secretaries were appointed as Secretarial Auditor of the Company. The Secretarial Audit Report and Annual Secretarial Compliance Report are annexed as "Annexure II and Annexure III" and forms part of this report. The report does not contain any qualification, reservation or adverse remark or disclaimer.

Public deposits

The Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. Deposits unclaimed at the end of the year was Nil.

Particulars of loans, guarantees or investments

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in "Annexure IV" and forms part of this report.

Audit Committee

The Company constituted Audit Committee as required under Section 177 of the Companies Act, 2013 and Regulation 18 of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015. Composition of Audit Committee is given in Corporate Governance Report. There is no such instance during the year under review where the Board had not accepted any recommendation of Audit of the Audit Committee.

Related party transactions

The details of transactions entered into with the Related Parties are enclosed in Form no. AOC 2 is annexed herewith as "Annexure V" and forms part of this report.

Internal financial control

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

Copy of Annual Return

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

Corporate Social Responsibility

As required under Section 135 of the Companies Act, 2013, the Company has constituted a Corporate Social Responsibility (CSR) Committee. As per recommendation of the CSR Committee, the Board at its meeting held on September 25, 2014 approved the CSR Policy of the Company. Report on CSR Activities/ Initiatives is enclosed as "Annexure VI" and forms part of this report.

Policies

Policy for determining material subsidiary

During the year ended March 31, 2022, the Company does not have any material listed/unlisted subsidiary companies as defined in Regulation 16 (c) of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has framed a policy for determining "material subsidiary" and the same is available on the Company's website at www.bajajhindusthan.com/investorcorner-policies.php

Policy on remuneration and other aspects of directors and KMP

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

Vigil Mechanism / Whistleblower Policy

The Company has formulated a Vigil Mechanism/Whistleblower Policy in accordance with Section 177(9) of the Companies Act, 2013 and Regulation 22 of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of the Vigil Mechanism/Whistleblower Policy are provided in the Corporate Governance Report and also posted on the website of the Company at www.bajajhindusthan.com/investorcorner-policies.php

Risk Management

The Company has a Risk Management Policy to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimise adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risks trend, exposure and potential impact analysis at a Company level as also separately for business. The detailed remuneration policy is placed on the Company's website at www.bajajhindusthan.com/investorcorner-policies.php

The Board of Directors had constituted Risk Management Committee to identify elements of risk in different areas of operations and to develop policy for actions associated to mitigate the risks.

Related Party Transaction Policy

Policy on dealing with Related Party Transactions as approved by the Board is uploaded on the Company's website at www.bajajhindusthan.com/investorcorner-policies.php

Corporate Social Responsibility (CSR) policy

Contents of Corporate Social Responsibility Policy in the Board's report are given in the Report on CSR Activities in "Annexure VI" and on the Company's website at www.bajajhindusthan.com/investorcorner-policies.php

Anti-Sexual Harassment Policy

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

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

Number of Complaints received: Nil

Number of Complaints disposed of: Nil

Compliance with Secretarial Standards

The Company has complied with the secretarial standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

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

I. Impacting going concern status:

There have been no significant and material orders passed by the courts or regulators or tribunals impacting the going concern status and Company.

II. Impacting Company's operation:

- a. Pursuant to Orders of National Green Tribunal (NGT), Central Pollution Control Board (CPCB) and Uttar Pradesh Pollution Control Board (UPPCB), only operation of Palia distillery of the Company was affected for part of the financial year 2021-22. As per the direction, the Company has installed Zero Liquid Discharge system (ZLD) and subsequently pursuant to issuance of Consolidated Consent & Authorisation (CCA) by UPPCB, valid from 15.07.2022 to 14.10.2022, the manufacturing operation of Palia distillery started from 18.07.2022.
- b. The Hon'ble High Court of Allahabad (Lucknow Bench) Vide judgement dated 23.12.2021, has disposed of the bunch of 230 writ petition regarding payment of sugarcane price dues for the season 2020-21 with the directions that BHSL has to clear dues of all the farmers/petitioners by 31.03.2022 along with interest for delayed payment @15% per annum. The aforesaid interest payment shall be subject to any waiver by the Cane Commissioner. In case of failure, the Cane Commissioner shall proceed to issue recovery certificate to the Collector for recovery of such due by exercising all means permissible in law including coercive action against the Company.

In Compliance of the aforesaid Judgment of Allahabad High court the Company has paid the Sugarcane price for 2020-21 before 31.03.2022 without interest. Special Leave Petition before Hon'ble Supreme Court has been filed challenging the rate of interest on delayed payment and thereafter Company has

approached Hon'ble High Court in review jurisdiction for re-consideration of the judgement vis-a-vis levy of interest and the same is pending before the High Court. We have also filed interest waiver applications before the Cane Commissioner as per the liberty granted by the High Court, which is also pending for final adjudication.

III. Others material Orders:

- a. The Additional Excise Commissioner, U.P, vide a common order had upheld the penalty of ₹ 136.47 lakh and ₹ 14.86 lakh which was imposed by the Dy. Excise Commissioner, U.P., Lucknow on Golagokarnnath Distillery vide two orders both dated 04.08.2018, on account of wastage of Rectified Spirit & Absolute Alcohol in the month of February and March, 2018, respectively. The Revision against the order filed by the Company before the Additional Chief Secretary, U.P. State Excise is pending for adjudication.
- b. The Excise Commissioner, U.P., Prayagraj has directed the Kinauni Distillery to deposit the penalty of ₹ 136.11 crore on account of loss of 14.92 lac Alcohol Litre of Extra Neutral Alcohol in fire accident. The above quantity of Extra Neutral Alcohol was lost on 26.05.2018 due to sudden accident caused due to fire without no fault of the distillery. The objection filed by the Company against the penalty is pending before the Excise Commissioner, U.P., Prayagraj for disposal/consideration.

Member's attention is also drawn to the statements on contingent liabilities and commitments in the notes forming part of the financial statements.

Particulars of employees and related disclosures

As required under the provision of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company are set out in "Annexure VII" and forms part of this report.

Transfer of unclaimed dividend and unclaimed shares to investor education and protection fund

The details of Unclaimed Dividend and Unclaimed Shares forms part of the Corporate Governance Report.

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

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

Corporate governance

The Company has complied with the corporate governance requirements under the Companies Act, 2013 and as stipulated under the Listing Regulations. A separate section on corporate governance practices followed by the Company, together with a certificate from the Auditors confirming compliance is annexed and forms part of this Report.

Management Discussion and Analysis and Business Responsibility Report

As per Regulation 34 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis Report and Business Responsibility Report are prescribed in separate Sections forming part of this Annual Report.

Acknowledgements

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

For and on behalf of the Board of Directors

Sd/-
Kushagra Bajaj
 Chairman
 (DIN: 00017575)

Mumbai,
 May 20, 2022

ANNEXURE I

DIVIDEND DISTRIBUTION POLICY

1. Introduction

In accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of the Company, has adopted this Policy.

The intent of the Policy is to broadly specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend and how the retained earnings shall be utilised, etc.

The Policy shall not apply to:

- Determination and declaration of dividend on preference shares, as and when issued by the Company, as the same will be as per the terms of issue approved by the shareholders
- Issue of bonus shares by the Company
- Buyback of securities

The Policy is not an alternative to the decision of the Board for recommending dividend, which is made every year after taking into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided as relevant by the Board.

2. Definitions

- (i) **“Act”** shall mean the Companies Act, 2013 and rules made thereunder, as amended from time to time.
- (ii) **“Board”** shall mean board of directors of the Company.
- (iii) **“Company”** shall mean Bajaj Hindusthan Sugar Limited.
- (iv) **“Dividend”** includes any interim dividend.
- (v) **“Listing Regulations”** shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- (vi) **“Policy”** shall mean this dividend distribution policy.
- (vii) **“Stock Exchange”** shall mean a recognised Stock Exchange on which the securities of the Company are listed.

3. Policy

A. Parameters and Factors for Declaration of Dividend

The dividend pay-out decision of the Board depends upon certain financial parameters and internal and external factors, including:

Financial Parameters and Internal Factors:

- (i) Operating cash flow of the Company
- (ii) Profit earned during the year
- (iii) Profit available for distribution
- (iv) Earnings Per Share (EPS)
- (v) Working capital requirements
- (vi) Capital expenditure requirement
- (vii) Business expansion and growth
- (viii) Likelihood of crystallisation of contingent liabilities, if any
- (ix) Additional investment in subsidiaries and associates of the Company
- (x) Upgradation of technology and physical infrastructure
- (xi) Creation of contingency fund
- (xii) Cost of Borrowing
- (xiii) Past dividend payout ratio / trends

External Factors:

- (i) Economic environment
- (ii) Capital markets
- (iii) Global conditions
- (iv) Statutory provisions and guidelines

B. Circumstances under which the shareholders of the Company may or may not expect Dividend

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders of the Company and the amount of profit to be retained in business. The decision seeks to balance the dual objectives of appropriately rewarding shareholders through dividends and retaining profits in order to maintain a healthy capital adequacy ratio to support future growth. The shareholders of the Company may not expect dividend in the following circumstances, subject to discretion of the Board of Directors:

- (i) Proposed expansion plans requiring higher capital allocation
- (ii) Decision to undertake any acquisitions, amalgamation, merger, joint ventures, etc. which requires significant capital outflow
- (iii) Requirement of higher working capital for the purpose of business of the Company
- (iv) Proposal for buy-back of securities
- (v) In the event of loss or inadequacy of profit

C. Utilisation of the retained earning

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilisation of the retained earnings of the Company shall be based on the following factors:

- Expansion and modernisation plan
- Long-term strategic plans
- Replacement of capital assets
- Where the cost of debt is expensive
- Such other criteria as the Board may deem fit from time to time

D. Manner of Dividend payout in case of final dividend

- (i) Recommendation, if any, shall be done by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to approval of the shareholders of the Company.
- (ii) The dividend as recommended by the Board shall be approved/declared at the Annual General Meeting of the Company.
- (iii) The payment of dividends shall be made within the statutorily prescribed period from the date of declaration, to those shareholders who are entitled to receive the dividend on the record date/book closure period, as per the applicable law.

In case of interim dividend:

- (i) Interim dividend, if any, shall be declared by the Board.
- (ii) Before declaring interim dividend, the Board shall consider the financial position of the Company that allows the payment of such dividend.
- (iii) The payment of dividends shall be made within the statutorily prescribed period from the date of declaration to the shareholders entitled to receive the dividend on the record date, as per the applicable laws.
- (iv) In case no final dividend is declared, interim dividend paid during the year, if any, will be regarded as final dividend in the Annual General Meeting.

4. Parameters adopted in relation to various classes of shares

The Company has issued only one class of equity shares with equal voting rights. Accordingly, all members are entitled to receive the same amount of dividend per equity share. The Policy shall be suitably modified upon the issue of equity shares of a different class.

5. Policy Review and Amendments

The Board reserves the power to review and amend this Policy from time to time. All provisions of this Policy would be subject to revision or amendment in accordance with applicable law as may be issued by relevant statutory, regulatory or governmental authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities are not consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder.

ANNEXURE II

SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

(PURSUANT TO SECTION 204(1) OF THE COMPANIES ACT, 2013 & RULE 9 OF THE COMPANIES APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL RULES, 2014)

To,

The Members,

BAJAJ HINDUSTHAN SUGAR LIMITED

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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bajaj Hindusthan Sugar Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022, according to the provisions of:

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

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (not applicable to the listed entity for the period under review);
- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (not applicable to the listed entity for the period under review);
- 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, 2021; (not applicable to the listed entity for the period under review);
- h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018; (not applicable to the listed entity for the period under review);
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

OTHER APPLICABLE LAWS:

- i. The Sugar Cess Act, 1982
- ii. U. P. Sheera Niyam Adhiniyam 1964
- iii. Food Safety and Standards Act, 2006
- iv. Essential Commodities Act, 1955
- v. Sugar Development Fund Act, 1982
- vi. Prevention of Food Adulteration Act, 1954
- vii. U.P. Sugar Wages Board Act, 1981
- viii. U.P. Sugarcane {Regulation of Supply and Purchase} Act, 1953
- ix. Bihar Sugarcane (Regulation of Supply and Purchase) Act, 1981

We have relied on the representations made by the Company, its Officers and Reports of the Statutory Auditor for the systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance/shorter notice of time less than seven days for items of business which were in the nature of 'unpublished price sensitive information' and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes book, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

The Board at its meeting held on July 20, 2021 has allotted 14,38,00,000 (Fourteen Crore Thirty Eight Lakh) Equity Shares of ₹ 1/- (Rupee One only) each fully paid up, on a preferential basis, at a price of ₹ 13.28 (Rupees Thirteen and twenty eight paise only) (including premium of ₹ 12.28 each) per equity share to Promoter/Promoter group entity of the Company, on conversion of existing unsecured loan as detailed herein below:

Name of the Allottees	Category	Outstanding Loan (₹)	Conversion of Loan (in ₹)	No. of shares allotted
Kushagra Bajaj	Promoter	110,50,00,000	110,49,99,996	8,32,07,831
SKB Roop Commercial LLP	Promoter Group entity	89,50,00,000	80,46,64,004	6,05,92,169
Total		200,00,00,000	190,96,64,000	14,38,00,000

The allotment has been approved by the Shareholders at their Extraordinary General Meeting held on July 15, 2021.

FOR ANANT B KHAMANKAR & CO.
COMPANY SECRETARIES

Sd/-

ANANT B. KHAMANKAR
FCS No. – 3198
CP No. – 1860
UDIN: F003198D000358399

DATE : May 20, 2022
PLACE : Mumbai

ANNEXURE III

ANNUAL SECRETARIAL COMPLIANCE REPORT OF BAJAJ HINDUSTHAN SUGAR LIMITED FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

To,
The Members,
BAJAJ HINDUSTHAN SUGAR LIMITED
Golagokarannath, Lakhimpur Kheri, Kheri - 262 802
Uttar Pradesh, India

We have examined:

- All the documents and records made available to us and explanation provided by Bajaj Hindusthan Sugar Limited ("the Listed Entity"),
- The filings/submissions made by the listed entity to the stock exchanges,
- Website of the listed entity,
- Any other document/filing, as may be relevant, which has been relied upon to make this certification, for the year ended March 31, 2022 ("Review Period") in respect of compliance with the provisions of:
 - the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
 - the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include: -

- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (not applicable to the listed entity for the period under review);

- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (not applicable to the listed entity for the period under review);
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (not applicable to the listed entity for the period under review);
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (h) Any other regulation as applicable: Not Applicable.

Based on the above examination, we hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matter specified below: - Not Applicable

Sr. No.	Compliance Requirement (Regulations/ circulars/guidelines including specific clause)	Deviations	Observations/Remarks of the Practicing Company Secretary
-	-	-	-

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder insofar as it appears from our examination of those records.
- (c) The following are the details of action taken against the listed entity/its promoters/directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/guidelines issued thereunder: **Not Applicable**

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/remarks of the Practicing Company Secretary, if any
-	-	-	-	-

- (d) The listed entity has taken the following actions to comply with the observations made in the previous reports:
Not Applicable

Sr. No.	Observations of the Practicing Company Secretary in previous report	Observations made in the secretarial compliance report for the year ended 31.03.2022	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
-	-	-	-	-

FOR ANANT B KHAMANKAR & CO.
COMPANY SECRETARIES

Sd/-

ANANT B. KHAMANKAR

FCS No. – 3198

CP No. – 1860

UDIN: F003198D000358388

DATE : May 20, 2022

PLACE: Mumbai

ANNEXURE IV

The particulars of loans given, investments made, guarantee given or security provided under Section 186 (4) of the Companies Act, 2013 are provided below:

Sr. No.	Particulars - whether loan, investment, guarantee or security	Name of recipient and other details	Amount (₹ Crore)	Key terms & conditions	Purpose for which the loan or guarantee or security is proposed to be utilised by the recipient (to be provided only for loan or guarantee or security)
1	Investments made	Bajaj Hindusthan (Singapore) Private Ltd. - Equity Shares	92.32	N.A.	N.A.
2	Investments made	Bajaj Aviation Private Ltd. - Equity Shares	5.00	N.A.	N.A.
3	Investments made	Bajaj Power Generation Private Ltd. - Equity Shares	0.02	N.A.	N.A.
4	Investments made	Lalitpur Power Generation Company Ltd. - Equity Shares	770.13	N.A.	N.A.
5	Investments made	Bajaj Ebiz Private Ltd. - Equity Shares	1.15	N.A.	N.A.
6	Investments made	Esugar India Limited	0.01	N.A.	N.A.
7	Investments made	Phenil Sugars Ltd. - 6% Redeemable Non Cumulative Non Convertible Preference Shares	350.04	N.A.	N.A.
8	Investments made	Phenil Sugars Ltd. - Zero Coupon Optionally Convertible Debentures	370.48	N.A.	N.A.
9	Investments made	Interest in BHL Securities Trust, which holds equity shares of the Company, pursuant to the Scheme of Amalgamation of the Company with its erstwhile subsidiary Bajaj Hindusthan Sugar & Industries Ltd.	693.72	N.A.	N.A.
10	Loans given	Bajaj Aviation Private Ltd.	24.40	Interest @ 12% p.a., unsecured, repayable on demand	For business purposes to meet operational expenses
11	Loans given	Bajaj Hindusthan (Singapore) Private Ltd.	12.72	Interest @ 0%, unsecured, repayable on demand	For business purposes - general corporate purposes
12	Loans given	Bajaj Power Generation Private Ltd.	936.92	Interest @ 12% p.a., Partly secured, repayable on demand	For business purposes - general corporate purposes
13	Loans given	Ojas Industries Private Ltd.	252.18	Interest @ 12% p.a., secured, repayable on demand	For business purposes - general corporate purposes
14	Securities given	Lalitpur Power Generation Company Ltd.	661.25	Pledge of shares	As collateral security with the trustees of consortium of lenders, facilities obtained by LPGCL

For and on behalf of the Board of Directors

Sd/-

Kushagra Bajaj
Chairman
(DIN: 00017575)

ANNEXURE V

Form AOC 2

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

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

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

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

1.	(a)	Name(s) of the related party and nature of relationship	Shishir Bajaj Family Trust – Body corporate whose Board of Trustees is accustomed to act in accordance with the advice, directions or instructions of a Director
	(b)	Nature of contracts/arrangements/ transactions	Rent paid
	(c)	Duration of the contracts/arrangements transactions	Leave & Licence agreement for office, record room and parking for a period of 5 years up to February 14, 2024
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 9.65 Crore
	(e)	Date(s) of approval by the Board, if any	12.02.2019
	(f)	Amount paid as advances, if any	-
2.	(a)	Name(s) of the related party and nature of relationship	Bajaj Aviation Pvt. Ltd. - Subsidiary
	(b)	Nature of contracts/arrangements/ transactions	Lease rent received
	(c)	Duration of contracts/arrangements/ transactions	Aircraft booking agreement
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 7.56 Crore
	(e)	Date(s) of approval by the Board, if any	12.04.2013
	(f)	Amount paid as advances, if any	-
3.	(a)	Name(s) of the related party and nature of relationship	Mr. Sunil Kumar Ojha – Key Managerial Personnel
	(b)	Nature of contracts/arrangements/ transactions	Remuneration
	(c)	Duration of contracts/arrangements/ transactions	14.08.2021 to 31.03.2022

	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 0.75 Crore
	(e)	Date(s) of approval by the Board, if any	13.08.2021
	(f)	Amount paid as advances, if any	-
4.	(a)	Name(s) of the related party and nature of relationship	Mr. Alok Kumar Vaish – Key Managerial Personnel
	(b)	Nature of contracts/arrangements/ transactions	Remuneration
	(c)	Duration of contracts/arrangements/ transactions	01.04.2021 to 12.08.2021
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 0.27 Crore
	(e)	Date(s) of approval by the Board, if any	27.09.2018
	(f)	Amount paid as advances, if any	-
5.	(a)	Name(s) of the related party and nature of relationship	Mr. Kausik Adhikari – Key Managerial Personnel
	(b)	Nature of contracts/arrangements/ transactions	Remuneration
	(c)	Duration of contracts/arrangements/ transactions	01.04.2021-31.03.2022
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	₹0.36 Crore
	(e)	Date(s) of approval by the Board, if any	06.05.2020
	(f)	Amount paid as advances, if any	-

For and on behalf of the Board of Directors

Sd/-
Kushagra Bajaj
Chairman
(DIN: 00017575)

Mumbai
May 20, 2022

ANNEXURE VI

REPORT ON CSR ACTIVITIES/INITIATIVES

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

1. A brief outline of the Company's CSR policy:

The salient features of CSR policy approved by the Board of Directors are stated herein below:

Salient features of Corporate Social Responsibility (CSR) Policy:

Sugar Industry in India has an important role to play for the socio-economic development of rural population, mainly the farmers engaged in the sugarcane cultivation. It is one of the prime support provider essential for rapid growth of the rural economy.

As part of socially responsible Company, BHSL has and continues to adopt policies, and business strategies to effectively integrate emerging environmental, social and economic considerations. Whether it's through conserving energy, recycling, or finding innovative solutions to environmental

and social challenges, BHSL is committed to being a respectful, responsible and positive influence on the environment and the society in which we operate. Efficient power management, infrastructure sharing, use of eco-friendly renewable energy sources, etc. are some of the inbuilt practices in our day-to-day business operations, to ensure a clean and green environment.

This policy outlines the Company's social and moral responsibilities to consumers, employees, shareholders, society and local community and lays down guidelines and mechanism for carrying out programmes, projects and activities that actively assist in overall improvement in the quality of life of local community residing in the vicinity of its plants and society at large as also making them self-reliant, safeguarding of health, preservation of ecological balance and protection of environment. The primary objectives of this Policy are:-

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

2. The Composition of the CSR Committee:

Sl. No.	Name of director	Designation/Nature of directorship	No. of meeting held during the year /during his/her tenure	No. of meeting attended
1	Mr. Kushagra Bajaj	Chairman (Non-executive-Non Independent director)	1	1
2	Mr. Ashok Kumar Gupta (up to 30.06.2021)	Member (Executive director)	0	0
3	Mr. Veer Pal Singh (from 02.07.2021 to 12.08.2021)	Member (Executive director)	0	0
4	Mr. Alok Kumar Vaish (w.e.f. 13.08.2021)	Member (Executive director)	1	1
5	Ms. Shalu Bhandari	Member (Independent director)	1	1

3. Weblink for the Composition of the CSR Committee, policy and other details: Details are available at www.bajajhindusthan.com

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set off from preceding financial years (in ₹)	Amount required to be set off for the financial year, if any (in ₹)
Not Applicable			

6. Average Net Profit of the Company as per Section 135(5): Not applicable (Since the average net profit for last 3 financial years is negative).

7. (a) Two percent of average net profit as per Section 135(5): Not applicable

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): Nil

8. (a) Details of CSR amount spent or unspent for the financial year: Not applicable

- (b) **Details of CSR amount spent against ongoing projects for the financial year:** Not applicable
- (c) **Details of CSR amount spent against other than ongoing projects for the financial year:** Not applicable
- (d) **Amount spent in Administrative Overheads:** Not applicable
- (e) **Amount spent on Impact Assessment, if applicable:** Not applicable
- (f) **Total amount spent for the Financial Year (8b+8c+8d+8e):** Not applicable
- (g) **Excess amount for set off, if any:** Not applicable

9. (a) Details of unspent CSR amount for preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (₹ Crore)	Amount spent in the reporting Financial Year (₹ Crore)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any				Amount remaining to be spent in succeeding financial years (₹ Crore)
				Name of the Fund	Amount (₹ Crore)	Date of Transfer		
NIL								

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration Not Applicable	Total amount allocated for the project (₹ Crore)	Amount spent on the project in the reporting Financial Year (₹ Crore)	Cumulative amount spent at the end of reporting Financial Year (₹ Crore)	Status of the project – Completed/ Ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Not Applicable

- (a) Date of creation or acquisition of the capital asset(s)
- (b) Amount of CSR spent for creation or acquisition of capital asset
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)

11. Specify the reason(s), if the company has failed to spend two percent of average net profit as per section 135(5): Not applicable.

Sd/-

Kushagra Bajaj
Chairman and
Chairman of the CSR Committee
(DIN: 00017575)

Sd/-

Ajay Kumar Sharma
Managing Director
(DIN: 09607745)

ANNEXURE VII

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year

Sl. No.	Name of the Directors/ KMP	Designation	Remuneration of Directors/ KMP for the year 2021-22 (Amount in ₹)	% Increase in Remuneration in the year 2021-22	Ratio of Remuneration of each Director to median remuneration of employee
1	Mr. Kushagra Bajaj	Chairman (Non-Executive)	1,24,000	51.62%	Not Applicable
2	Mr. Ashok Kumar Gupta (up to 30.06.2021)	Managing Director	1,63,83,177	*	*
3	Mr. Alok Kumar Vaish (w.e.f. 13.08.2021)	Managing Director	87,45,933	**	26.05
4	Mr. D. K. Shukla	Director	5,67,000	18.13%	1.69
5	Ms. Shalu Bhandari	Director	5,79,000	25.87%	1.72
6	Mr. Ashok Mukand	Nominee Director	4,00,000	42.86%	1.19
7	Mr. Amir Singh Yadav	Nominee Director	-		Not applicable
8	Mr. Atul Hasmukhrai Mehta	Director	4,42,000	52.41%	1.32
9	Mr. Vinod C. Sampat	Director	4,24,000	***	1.26
10	Mr. Ramani Ranjan Mishra (w.e.f. 11.11.2021)	Director	1,50,000	****	0.45
11	Mr. Veer Pal Singh (from 02.07.2021 to 12.08.2021)	Whole time Director	5,85,786	*****	1.74
12	Mr. Alok Kumar Vaish (up to 12.08.2021)	Chief Financial Officer	26,82,868	*****	7.99
13	Mr. Sunil Kumar Ojha (w.e.f. 14.08.2021)	Chief Financial Officer	74,84,321	*****	22.29
14	Mr. Kausik Adhikari	Company Secretary	35,75,539	*****	10.65

*Includes ₹ 1.11 crore towards payment of gratuity; he was in office only up to June 30, 2021.

** Figures are not comparable as appointed mid of the year

***Figures are not comparable with last year as he was appointed on 21.01.2021 (part of the previous year)

****Appointed on 11.11.2021 hence last year's figures were nil.

*****Not comparable, he was appointed on 02.07.2021

*****He held the office of CFO only up to 12.08.2021, hence figures are not comparable with last year.

*****Appointed CFO on 14.08.2021, hence last year figures are not available.

*****Not comparable, he was appointed during mid of the preceding year.

The median remuneration of employees of the Company during the year was ₹ 3,35,748.

2. The increase in the median remuneration of employees in the financial year was 6.91%.

3. There were 7,617 permanent employees on the rolls of the Company as at March 31, 2022.

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 7.73%. Decrease in remuneration of managerial personnel is 2.44%. The increase in remuneration of employees other than the managerial personnel is in line with the increase in remuneration of managerial personnel.

4. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.

Particulars of Employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. Details of Top Ten Employees in terms of remuneration drawn as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Sr. No.	Name of Employee	Designation/ Nature of duties	Remuneration (Amount in ₹)	Qualification	Age (years)	Experience (No. of years)	Date of commencement of employment	Last employment
1	Mr. Akash Sharma	President (Finance & Accounts)	2,45,85,480	B.Com, LLB & FCA	58	30	22.03.2006	Jaiprakash Associates Ltd.
2	Mr. Ashok Kumar Gupta	Managing Director (from 01.04.2021 to 30.06.2021)	1,63,83,177	M.Com	70	49	31.05.1982	Upper Doab Sugar Mills Ltd.
3	Mr. Vikas Lahoti	Head - Group Corporate Taxation	1,28,89,320	B.Com, CA, MBA	66	37	22.04.2013	Etisalat DB Telecom (P) Ltd.
4	Mr. Alok Kumar Vaish	Managing Director	1,14,28,601	B.Com, CA	55	30	26.03.2004	Oswal Chemicals & Fertilizers Ltd.
5	Mr. Naval Kishore Kashyap	Sr. Vice President (Indirect Taxation)	1,01,96,628	B.Com, Diploma (Excise & Cust.)	63	40	01.11.2011	Carbery Infrastructure Pte. Ltd.
6	Mr. Adhish Goray	Project Head	85,47,276	G.D. Arch., M. Arts	50	26	15.02.2013	Pancard Clubs Limited
7	Mr. Rajendra Mishra	Assistant Vice President (F&A)	77,34,924	B. Com.	58	37	26.11.2001	Recron Synthetics Limited
8	Mr. Sunil Kumar Ojha	Chief Financial Officer	74,84,321	B.Com, CA & ICWA	49	23	14.08.2021	Anand Engineering Ltd.
9	Mr. Sanjay Kumar Goyal	Vice President (F&A)	71,25,552	M.Com, C.A. & DISA	53	30	20.09.2018	Shree Renuka Sugars Ltd.
10	Mr. Veer Pal Singh	Sr. Vice President (Unit Head)	47,54,256	Diploma in Mechanical Engineering	65		25.11.2005	Saraya Sugar Mills Ltd.

B. Details of Employees employed throughout the financial year who were in receipt of remuneration for that year which, in aggregate, was not less than ₹ 1.02 crore are given in Sr. nos. 1 & 3 to 5 of the table above.

C. Employees employed for a part of the financial year and who were in receipt of remuneration during that financial year at a rate not less than ₹ 8,50,000 per month is given in Sr. No. 1 of the table above. The remuneration in Sr. No. 2 includes amount of gratuity of ₹1.11 crore and other separation benefits.

- D. Employees employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate is in excess of that drawn by the managing director or whole time director or manager and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company: Nil

Notes:

1. Remuneration includes Salary, Allowances, Company's Contribution to Provident Fund, Superannuation, etc., taxable value of perquisites and terminal benefits as may be applicable.
2. Mr. Ashok Kumar Gupta was in employment up to 30.06.2021, and the remuneration includes amount of gratuity of ₹1.11 crore and other separation benefits.
3. None of the aforesaid employees is relative of any Director or Manager.

For and on behalf of the Board of Directors

Sd/-

Kushagra Bajaj
Chairman
(DIN: 00017575)

Mumbai
May 20, 2022

ANNEXURE VIII

Disclosure of particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

A. Conservation of energy:

(i) Steps taken for conservation of energy:

1. Recovery of waste heat from Pan Hot Water Condensate by using Direct Contact Heater for BH Molasses conditioning.
2. Synchronisation of 3 MW TG set with 10 MW & 12 MW done. Now there is no need of power supply change over at mills and Injection station thereby elimination of down time during crushing.
3. Exhaust washing replaced by Q1 Vapour for Pan washing, cut over line heating & Molasses conditioning of AH & C1H Molasses.
4. Recovery of waste heat from the Clarifier Flash Tank by heating of Filtrate Juice through DCH.
5. Reduction in use of High Pressure Steam for Process.
6. Recovery of heat from Semi Kestner and Falling Film Evaporator by providing Flash Connection from Condensate Bottles to successive Vapour Pipes.
7. Use of Molasses Coolers to cool down Molasses before Storage.
8. Soda boiling in Evaporator Bodies by Exhaust Steam instead of Live Steam.
9. Use of blow down Flash Steam for heating of makeup water installed in 1x80 TPH Boiler.
10. Replaced incandescent lamps by compact fluorescent lamps in Administration Block & Office.
11. Cooling Tower installed for excess Hot Water cooling under Water Management program.
12. Carbon & Sand Filter installed for effluent treatment.
13. Under Water Management program to reduce the borewell water consumption, Cooling Tower is installed to cool the recycle water.
14. Replacement of the nickel screen 0.05 mm to 0.06 mm which ultimately results in better purgibility, saving of power, reduction of nickel screen consumption, increase of machine capacity and obtaining better quality of sugar.

15. By hot water application, the mills recovered sugar from tanks, crystalliser and various area, ultimately converted to bagging sugar.
16. Increased the height of Head on cutter by 50 mm resulting reduce the power consumption by 20%.
17. Masecuite & magma delivery pipe line relocate from vertical (90° to 45°) resulting Zero leakages from gland, Reduction of power, Reduction of maintenance cost.
18. To save extra bagasse, we have increased pressure & temperature of deaerator (maintain 110°C) resulting more bagasse saving.
19. Additional SO₂ gas cooler installed successfully to reduce gas temperature to improve recovery of cane percentage.
20. ID fans of boilers were got hard faced by special electrodes to reduce wear and tears resulting in power saving.
21. Old system of cane unloader is upgraded with hydraulic system improved the overall performance of the equipment.
22. One single air cooled Air compressor is installed against three water cooled air compressor (Old), saved power and reduce the use of water in process.
23. Automation of cane rake elevator, cane carrier and auxiliary cane carrier drive with Variable Frequency.
24. Installation of Brine Recovery system and Rinse Water recovery system to recover salt and water i.e. to reduce effluent load.
25. Installation of Ammonia Stripper plant to extract ammonia from MEE condensate water and treated through CPU and re-used in the cooling towers as make-up water and also re-used in the process water resulting reduction in fresh borewell. The plant is working satisfactory.
26. 100% utilisation of Lagoon was ensured to maintain the single point discharge under zero liquid discharge from plant. Treated water were used in horticulture premises, ferti irrigation to nearby farmers, water spraying of cane yard, Makeup water for Injection Channel.
27. Exhaust steam used during Soda boiling in Evaporator, condensate going to drain has been collected & used.
28. Sealing water of Vacuum Pump and cooling water of air compressors reused to reduce water consumption through Armec Cooling tower.
29. Installation of centralised lubrication system for mill roller bearings to reduce lubricant consumption.
30. Additional power capacitor provided in the power house and all MCC (Motor Control Centre) room with PCC (Power Control Centre) to increase power factor to reduce power consumption.
31. Modification in Anvil plate for pocket side. Anvil plate degrees reduced and also reduced pocket size for better preparation and avoid overloading at drive. Now successfully operating & also resulted reduction in power consumption.
32. Operation of complete electrical system at 3-4% lower voltage to save extra energy and smooth operation of equipment.
33. As per new UPERC Regulation 2019, the peak hour import shall be adjusted from banked energy, so our purchased electricity is nil for this year.

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

1. Installation of Bio gas plant.

(iii) Capital investment on energy conservation equipment: Nil

B. Technology absorption:

(i) Efforts made towards technology absorption:

Research and Development (R&D): Under Sugarcane Research & Development, specific areas in which R&D is carried out by the Company during the year ended March 31, 2022 were accelerated as under:

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

2. Spray of GRH (Growth Regulating Hormones) for tillering in ratoon crop.
3. Cane seed nurseries are maintained in the field.
4. Utilisation of Filtrate / Melt / Syrup Clarification
5. Installation of efficient lime classifier
6. Installation of F.T.S.B. (Film Type Syrup Burner)
7. Red rot disease is reported in Co 0238 variety from few pockets of cane area and to combat the menace of disease soil as well as sets treatment has been recommended to farmers and for this Ankush/Sanjivni (Trichoderma sp) & Carbendazim, Thio phynate methyl chemicals were distributed among concerned farmers on subsidy 20%.
8. Arrangement to collect rainwater near Sugar godown.
9. Construction of common collection pit with pumps to send the plant effluent to the Effluent Treatment Plant (ETP) through underground HDPE lines with proper automation on its level.
10. Electronic Weighbridges were introduced in the year 2012-13 and they are running successfully at our centres for cane weighment.
11. Installation of 100 Cu. M/Hr. capacity Cooling Tower to cool & reuse the surplus Condensate Water in place of raw water.
12. Use of surplus hot water in wet scrubber.
13. Lotus type top roller of 1st Mill with semi couch roller has replaced.
14. Installation of Pizo-meter to check the groundwater level.
15. Installation of new cyclone type grit and silica removal system at lime station.
16. Lime flow meter started and stabilised.
17. Cooling tower efficiency enhanced by reducing injection pump operation.
18. Modification in juice sulphitor.
19. Evaporator calandria cleaning.
20. Screw pump installed at C1 magma in place of Rota pump.
21. Degassing and filtration system of sulphited syrup at syrup tank.

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

1. Biological control of some of the pest and insects has helped in saving the cost of insecticides thus reducing the cost of cultivation and producing healthy disease-free cane and improved soil health.
2. GRH spray induced high tellering in ratoon crop thus increasing the yield.
3. Good quality cane seed will be available through cane nurseries.
4. Reduction of sulphur consumption & improvement of quality and recovery of sugar.
5. To reduce oil consumption, leakage of juice to oil and pollution hazards.
6. Reduction of lime consumption.
7. Control measures implemented for control of red rot disease in sugarcane will result normal sugarcane growth and development in time to come.
8. Reduced the use of groundwater and same time it reduces the generation of effluent.
9. Excellent improvement was observed in the performance of ETP due to controlled feed and less sludge formation.
10. Electronic Weighbridges have reduced paper work and helped in increasing the accuracy of cane weighment.
11. Surplus hot water condensate cooled and reused in maceration & co-gen cooling tower.
12. Consumption of cold water reduced.

13. Primary juice extraction has been increased by two units.
14. Groundwater level is being monitored on daily basis.
15. Reduce scaling in Evaporator and run days of evaporator increased by two days.
16. Improvement in clarification efficiency and for getting better transmittency of clear juice.
17. Power saving 150 Kw per hour.
18. Sugar quality improved.
19. Increased heating efficiency.
20. To avoid the wear and tear.
21. To avoid corrosion impact and control the injection water Ph and also reducing scales in pans.

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

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

(iv) Expenditure incurred on Research and Development:

	For the year/year ended	Year ended March 31, 2022 (₹ Crore)	Year ended March 31, 2021 (₹ 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, 2022 (₹ Crore)	Year ended March 31, 2021 (₹ Crore)
Foreign exchange earned in terms of actual inflows	31.17	22.43
Foreign exchange outgo in terms of actual outflows	0.00	0.08

For and on behalf of the Board of Directors

Sd/-

Kushagra Bajaj
Chairman
(DIN: 00017575)

ANNEXURE IX

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with the Annual Audited Financial Results (Standalone) for the Financial Year ended March 31, 2022

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

₹ Crore

I. Sl. No.	Particulars	Audited Figures	Adjusted Figures
		(as reported before adjusting for qualifications)	(audited figures after adjusting for qualifications)
1	Turnover / Total Income	5,590.22	5,590.22
2	Total Expenditure	5,812.58	6,206.58
3	Net Profit/(Loss)	(218.25)	(612.25)
4	Earnings per Share (₹)	(1.82)	(5.10)
5	Total Assets	13,610.25	13,610.25
6	Total Liabilities	10,732.86	12,516.98
7	Net Worth	2,877.39	1,093.27
8	Any other financial item(s) (as felt appropriate by the management)	The contingent liability on account of accumulated YTM payable as redemption premium on OCDs : ₹ 1,784.12 crore	The contingent liability on account of accumulated YTM payable as redemption premium on OCDs : NIL

II. Audit Qualification (each audit qualification separately):

- a. Details of Audit Qualification:** Non provision of the premium payable on Optionally Convertible Debentures (OCDs) at the time of redemption of OCDs issued to lenders pursuant to the Scheme for Sustainable Structuring of Stressed Assets (S4A Scheme) which stipulates that the yield to maturity (YTM) being the difference between weighted average interest and coupon rate be payable as redemption premium at the time of redemption of OCDs redeemable in 13 equal instalments commencing from the financial year 2024-25. The Company considers such YTM/redemption premium as contingent liability and has not provided for the same in the books of account for the quarter and year ended March 31, 2022 amounting to ₹ 101.16 crore and ₹ 394.00 crore respectively. The aggregate liability for such YTM from the date of allotment of OCDs till the year ended March 31, 2022 is ₹ 1,784.12 crore. Had such interest been provided, the reported profit/ (loss) for the quarter and year ended March 31, 2022 would have been ₹ (1.90) crore and ₹ (612.25) crore respectively and net worth of the Company would have been ₹ 1,093.27 crore.

- b. Type of Audit Qualification:** Qualified Opinion / disclaimer of opinion / adverse opinion

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

- d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views:**

Quantification is given in the note mentioned in para a above.

Management's View:

As per the Master Framework Agreement (MFA) executed between the Company and Lenders on December 16, 2017, the Optionally Convertible Debentures (OCDs) shall carry a Yield to Maturity (YTM) at a yield rate on the principal amount, accruing on annual basis, starting from the allotment date. The redemption will start from the financial year 2024-25. In addition to the clause of the MFA quoted above, it will be pertinent to note that another clause stated that upon occurrence of an Event of Default, the Debenture Trustee/Monitoring Institution can issue a Conversion Notice for conversion of all of its outstanding OCDs into the equity shares of the Company. This clause contemplates conversions of all outstanding OCDs. The expression outstanding OCDs is not a defined expression unlike other expressions in the MFA.

Thus MFA provides that upon occurrence of an Event of Default, the Debenture Trustee/Monitoring Institution may instruct the conversion of outstanding OCDs into equity shares. Since

the expression used is 'outstanding' and not "Outstanding Amount – OCDs", it can be construed that the conversion of OCDs will cover only the outstanding face value of the OCDs and will not include YTM.

Having considered the clauses referred above, Clause regarding conversion does not suggest or indicate that the amount of YTM is required to be added to the Principal Amount of the OCDs for conversion of the OCDs into the equity shares of the Company at the time of the conversion. Accordingly, the management considers such YTM as contingent liability and has not provided the premium in the books of the Company.

e. For Audit Qualification(s) where the impact is not quantified by the auditor: Not applicable

- (i) Management's estimation on the impact of audit qualification: Given in Sl. I.
- (ii) If management is unable to estimate the impact, reasons for the same: Not applicable.
- (iii) Auditors' comments on (i) or (ii) above: Already explained in Sl. II (a) above.

III. Signatories:

Ajay Kumar Sharma
Managing Director

Sunil Kumar Ojha
Chief Financial Officer

D.K. Shukla
Audit Committee Chairman

Sidharth Jain
Statutory Auditor

Place : Lucknow
Date : 20.05.2022

ANNEXURE X

**Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted along with the Annual Audited Financial Results (Consolidated) for the
Financial Year ended March 31, 2022 [Regulation 33 / 52 of the
SEBI (LODR) (Amendment) Regulations, 2016]**

₹ Crore

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

I. Sl. No.	Particulars	Audited Figures	Adjusted Figures
		(as reported before adjusting for qualifications)	(audited figures after adjusting for qualifications)
1	Turnover / Total Income	5,607.56	5,607.56
2	Total Expenditure	5,872.89	6,266.89
3	Net Profit/(Loss)	(267.54)	(661.54)
4	Earnings per Share (₹)	(2.23)	(5.51)
5	Total Assets	13,049.74	13,049.74
6	Total Liabilities	10,790.65	12,574.77
7	Net Worth	2,259.09	474.97
8	Any other financial item(s) (as felt appropriate by the management)	The contingent liability on account of accumulated YTM payable as redemption premium on OCDs : ₹ 1,784.12 crore	The contingent liability on account of accumulated YTM payable as redemption premium on OCDs : NIL

II. Audit Qualification (each audit qualification separately):

- a. Details of Audit Qualification:** Non provision of the premium payable on Optionally Convertible Debentures (OCDs) at the time of redemption of OCDs issued to lenders pursuant to the Scheme for Sustainable Structuring of Stressed Assets (S4A Scheme) which stipulates that the yield to maturity (YTM) being the difference between weighted average interest and coupon rate be payable as redemption premium at the time of redemption of OCDs redeemable in 13 equal instalments commencing from the financial year 2024-25. The Company considers such YTM/ redemption premium as contingent liability and has not provided for the same in the books of account for the quarter and year ended March 31, 2022 amounting to ₹ 101.16 crore and ₹ 394 crore respectively. The aggregate liability for such YTM from the date of allotment of OCDs till the year ended March 31, 2022 is ₹ 1,784.12 crore. Had such interest been provided, the reported profit/ (loss) for the quarter and year ended March 31, 2022 would have been ₹ (41.44) crore and ₹ 661.54) crore respectively and net worth of the Company would have been ₹ 474.97 crore.
- b. Type of Audit Qualification :** Qualified Opinion / disclaimer opinion / adverse opinion.
- c. Frequency of Qualification:** Whether appeared first time / repetitive / since how long continuing: Continuing Since March 31, 2019.
- d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views:**

Quantification is given in the note mentioned in para a above.

Management's view:

As per the Master Framework Agreement (MFA) executed between the Company and Lenders on December 16, 2017, the Optionally Convertible Debentures (OCDs) shall carry a Yield to Maturity (YTM) at a yield rate on the principal amount, accruing on annual basis, starting from the allotment date. The redemption will start from the Financial year 2024-25.

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

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

Having considered the clauses referred above, Clause regarding conversion does not suggest or indicate that the amount of YTM is required to be added to the principal amount, of the OCDs for conversion of the OCDs into the equity shares of the Company at the time of the conversion. Accordingly, the management considers such YTM as contingent liability and has not provided the premium in the books of the Company.

- e. For Audit Qualification(s) where the impact is not quantified by the auditor:** Not applicable
- (i) Management's estimation on the impact of audit qualification: Given in Sl. I.
- (ii) If management is unable to estimate the impact, reasons for the same: Not applicable.
- (iii) Auditors' Comments on (i) or (ii) above: Already explained in Sl. II (a) above.

iii. Signatories:

Ajay Kumar Sharma
Managing Director

Sunil Kumar Ojha
Chief Financial Officer

D.K. Shukla
Audit Committee Chairman

Sidharth Jain
Statutory Auditor

Place : Lucknow
Date : 20.05.2022

Corporate Governance Report

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

Company's philosophy on code of governance

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

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

Board of Directors

Composition and category of Directors

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

Table 1: Composition and category

Name	Category
Mr. Kushagra Bajaj, Chairman (Non-Executive), DIN: 00017575	Non-Executive, Promoter
Mr. Ashok Kumar Gupta (Managing Director), DIN: 02608184 (Up to 30/06/2021)	Executive Director
Mr. Veer Pal Singh, (Executive Director), DIN: 09221819 (w.e.f. 02/07/2021 and Up to 12/08/2021)	Executive Director
Mr. Alok Kumar Vaish (Managing Director), DIN: 07250267 (w.e.f. 13/08/2021)	Executive Director
Mr. Ajay Kumar Sharma (Managing Director), DIN: 09607745 (w.e.f. 20/05/2022)	Executive Director
Mr. D. K. Shukla, DIN: 00025409	Independent, Non-Executive
Mr. Atul Hasmukhrai Mehta, DIN: 00112451	Independent, Non-Executive
Ms. Shalu Bhandari, DIN: 00012556	Independent, Non-Executive
Mr. Vinod C. Sampat, DIN: 09024617	Independent, Non-Executive
Mr. Ashok Mukand, DIN: 00324588	Nominee Director, State Bank of India (Lender)
Mr. Amir Singh Yadav, DIN: 08481111 (Up to 02/11/2021)	Nominee Director, Punjab National Bank (Lender)
Mr. Ramani Ranjan Mishra, DIN: 09389302 (w.e.f.11/11/2021)	Nominee Director, Punjab National Bank (Lender)

Profile of Directors

The brief profile of each Director is given below:

Mr. Kushagra Bajaj, Chairman (Non-Executive)

Mr. Kushagra Bajaj is the Promoter and Non-Executive Chairman of the Bajaj Group. At 45, Kushagra is among India's youngest and brightest business leaders driving a diverse set of companies with sizeable interests in Sugar, Power and FMCG sectors. Under his stewardship, the Group businesses have registered enhanced profitability, expanded their footprints, and secured leadership positions in their respective markets. With a B.Sc. in Economics, Political Philosophy, and Finance from Carnegie Mellon and M.Sc. in Marketing from the Northwestern University (Chicago), Kushagra's academic qualifications are matched only by his expansive business pursuits and clear-eyed vision for the Group. As of today, the revenues of the Bajaj Group stand at USD 2.0 billion with an assets base of USD 5.3 billion. A scion of the storied Bajaj Family, Kushagra is walking in the footsteps of his predecessors, chiefly his great-grandfather Shri Jamnalal Bajaj, the venerated businessman philanthropist and freedom fighter. Shouldering the weight of the century-old legacy built on the ideas of trust, transparency, leadership, and service to the nation, he is counted among India's leading young philanthropists - with a special focus on education - and remains a guiding force behind Bajaj Foundation, the Group's CSR arm engaged in social welfare programs in the farthest corners of the country.

Mr. Ajay Kumar Sharma (Managing Director w.e.f. 20/05/2022)

Mr. Ajay Kumar Sharma aged about 55 years (DOB 02.10.1967) and has been working with us since 2016. In a career spanning over three decades, Mr. Sharma has worked extensively in the areas of cane procurement & development, liaising with farmers & government officials, supply chain management and operations.

In his six years at BHSL, his expertise in the aforementioned areas have led to minimising the "cut to crush" time which in turn led to significant improvements in the operational performance of the company's Bilai unit. Also, during his tenure the said unit achieved highest ever recoveries during 2018-19, 2019-20 and 2020-21 seasons, and increased high sugar variety percentage cane from 25% to 98% which contributed to a tremendous growth in Pol percentage. Additionally, Mr. Sharma implemented a number of measures which helped optimise costs and brought increased agility in plant operations.

With a M.Sc. in Agriculture and LLB, Mr. Sharma worked in a number of Sugar firms including Triveni Engineering Works, SBEC (Modi Group), RBNS Sugar, Mawana Sugar, and Modi Sugar before moving to BHSL.

Mr. Ashok Kumar Gupta, Managing Director (Up to 30/06/2021)

Mr. Ashok Kumar Gupta has been a member of our Board of Directors since October 2012. He has experience of more than 51 years in the Sugar Industry. After completing his M.Com from Agra University, he had started his service career from Dhampur Sugar Mills in 1970 and thereafter joined Upper Doab Sugar Mills in August 1978. Thereafter, he had joined Bajaj Hindusthan Sugar Limited on May 31, 1982 and since then continuing with BHSL up to June 30, 2021. During his long tenure with BHSL, he had worked in various senior posts in different departments. He is a patron Member of The Sugar Technologists' Association of India (STAI). He has been awarded with "GEM OF INDIA AWARD" on June 30, 2011 by Council for National Development, New Delhi on its 58th National Convention of National Building through Individual Achievements. On September 24, 2012, the STAI presented him the "Sardar Gurmit Singh Mann Gold Medal Award" – Professional of the Year Award-2011. In 2019, Mr. Gupta has been awarded the most prestigious "Lifetime Achievement Award" by STAI for his outstanding contribution and better management of Cane Development. He became the Managing Director with effect from August 14, 2019.

Mr. Alok Kumar Vaish, Managing Director (from 13/08/2021 to 20/05/2022)

Mr. Alok Kumar Vaish, aged 55 years, is working with us since March 26 2004 and is a Chartered Accountant since 1991. Mr. Alok Kumar Vaish currently has over 28 years of professional experience in the field of Finance & Accounts. Prior to joining us, Mr. Vaish had worked with A.M. Securities Ltd, Shree Janki Solvent Extraction Ltd. and Oswal Chemicals & Fertilizers Ltd. Mr. Alok Kumar Vaish was appointed as Managing Director of the Company at the 89th Annual General Meeting for a period of Five (5) years with effect from August 13, 2021.

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

Mr. D. K. Shukla has been a member of our Board of Directors since October 2001. He has a Bachelor's Degree in Arts and a Master's Degree in Social Work. He served as a representative for the Life Insurance Corporation of India on our Board until November 11, 2008. He retired as an Executive Director of LIC in February 2003. During his tenure with LIC, he occupied positions like Regional Manager and was in charge

of 3 LIC divisions. Mr. Shukla was re-inducted in the Board with effect from December 21, 2008 as an Independent Director. In addition, Mr. Shukla is a member and Chairman of our Audit Committee, Chairman of Nomination & Remuneration Committee and Chairman of Stakeholders Relationship Committee.

Mr. Atul Hasumukhrai Mehta, Independent, Non-Executive

Mr. Atul H. Mehta has been a member of our Board of Directors since January 01, 2020. He has a Corporate Law Advisor, B.Com, B.G.L. and FCS, is practicing Company Secretary and promoter of Mehta & Mehta Company Secretaries, Mehta & Mehta Advisory Services Private Limited & Mangalam Placement Private Limited. Mr. Mehta comes with an experience of over 27 years in the field of Corporate Law, Capital Market and Human Resource. He has served the industry as a Company Secretary and Compliance Head for 5 years soon after which he took his pioneering step towards consulting and practicing as a Company Secretary full time. He has also served as secretary of International Association of Company Secretaries which comprises 42 countries as members. He has also shepherded Institute of Company Secretaries of India as President in year 2015-16. He was past Chairman of Western India Regional Council (WIRC) of Institute of Company Secretaries of India (ICSI) in 2009. He was also on the board of various other companies as Independent Director. He has also been elected as Secretary of CISA at Global Level. He was also a part of MCA Committee. He was member of RBI Restructuring Committee. He was also a member of Company Law Committee (6 members), Ministry of Corporate Affairs 2015. He is a member in IOD (Institute of Directors).

Ms. Shalu Bhandari, Independent, Non-Executive

Ms. Shalu Bhandari has been a member of our Board of Directors since September 2016. She is a qualified Company Secretary and a fellow Member of the Institute of Company Secretaries of India. Ms. Bhandari is the proprietor of M/s. S.L. Bhandari & Associates, Practicing Company Secretaries operating in Mumbai since 2002. Ms. Bhandari is having experience in providing services in the field of Corporate Law matters with a dedicated focus towards handholding entrepreneurs and corporates.

Mr. Vinod C. Sampat, Independent, Non-Executive

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

Mr. Ashok Mukand, Nominee Director

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

Mr. Amir Singh Yadav, Nominee Director (Up to 02/11/2021)

Mr. Amir Singh Yadav has been appointed as Director, nominated by Punjab National Bank, since June 2019. Mr. Amir Singh Yadav is a professional banker having 36 years of experience. He was designated as Circle Head, Punjab National Bank, Noida. He holds the degree of M.Com and Certified Associate of Indian Institute of Bankers (CAIIB).

Mr. Ramani Ranjan Mishra (w.e.f. 11/11/2021)

Mr. Ramani Ranjan Mishra aged 55 years is a professional banker having 30 years of experience in Operation, Credit, HRD, General Administration, Recovery, etc. Mr. Mishra is presently designated as Deputy General Manager, Punjab National Bank, ELCB, New Delhi. Mr. Mishra holds the degree of M.Com, CAIIB (IIB) PGDCA (IIT Kharagpur).

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 2021-22, the Board of Directors met nine times on June 08, 2021, June 17, 2021, July 02, 2021, July 20, 2021, August 13, 2021, November 11, 2021, February 11, 2022, March 03, 2022 and March 29, 2022. The gap between any two meetings has been less than four months.

All Board Meetings were held through video conferencing facility.

Table 2: Attendance of each director at the meeting of the Board of Directors and the last annual general meeting during financial year 2021-22

Name	Board Meetings held / attended	Whether attended previous AGM held on September 15, 2021 through video conference
Mr. Kushagra Bajaj Chairman (Non-Executive) DIN: 00017575	09/02	No
Mr. Ashok Kumar Gupta, Managing Director (Executive) DIN: 02608184 (up to 30/06/2021)	02/00	NA
Mr. Veer Pal Singh, Executive Director, DIN: 09221819 (w.e.f. 02/07/2021 and up to 12/08/2021)	01/01	NA
Mr. Alok Kumar Vaish, Managing Director (Executive) DIN: 07250267 (w.e.f. 13/08/2021)	04/04	Yes
Mr. D. K. Shukla, DIN: 00025409	09/09	Yes
Mr. Atul Hasmukhrai Mehta, DIN: 00112451	09/09	Yes
Mr. Vinod C. Sampat, DIN: 09024617	09/09	Yes
Ms. Shalu Bhandari, DIN: 00012556	09/09	Yes
Mr. Ashok Mukand, DIN: 00324588	09/09	Yes
Mr. Amir Singh Yadav, DIN: 08481111 (up to 02/11/2021)	05/01	No
Mr. Ramani Ranjan Mishra, DIN: 09389302 (w.e.f. 11/11/2021)	03/03	NA

Meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, a separate meeting of the Independent Directors of the Company during the calendar year 2021-22 was held on November 11, 2021 to review the performance of Non-Independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timelines of the flow of information between the Management and the Board and 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, 2022

Name	Directorship in all other companies	Committee Membership			Committee Chairmanship		
		In Listed Public Companies	In Public Companies Unlisted	Total	In Listed Public Companies	In Public Companies Unlisted	Total
Mr. Kushagra Bajaj	3	2	Nil	2	Nil	Nil	Nil
Mr. Ashok Kumar Gupta (up to 30/06/2021)	Nil	1	Nil	1	Nil	Nil	Nil
Mr. Veer Pal Singh (w.e.f. 02/07/2021 to 12/08/2021)	Nil	1	Nil	1	Nil	Nil	Nil
Mr. Alok Kumar Vaish (w.e.f. 13/08/2021)	1	1	Nil	1	Nil	Nil	Nil
Mr. D. K. Shukla	2	2	1	3	2	1	3
Mr. Atul Hasmukhrai Mehta	8	Nil	Nil	Nil	Nil	Nil	Nil
Ms. Shalu Bhandari	4	4	2	6	Nil	Nil	Nil
Mr. Ashok Mukand	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Amir Singh Yadav (up to 02/11/2021)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Vinod C. Sampat	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mr. Ramani Ranjan Mishra (w.e.f. 11/11/2021)	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

1. Private Limited Companies, Foreign Companies and Companies under Section 8 have been excluded for the purposes of calculating committee positions.
2. Memberships/Chairmanship in only Audit Committees and Stakeholders' Relationship Committee in all Public Limited Companies (including Bajaj Hindusthan Sugar) have been considered for committee positions as per the SEBI (LODR) Regulations.

None of the Directors of Bajaj Hindusthan Sugar is a member in more than 10 committees and Chairman of more than 5 committees across all companies in which he/she is a Director.

Names of listed entities where the directors of the Company is director and the category of directorship

Details of listed entities and category of directorship are given in Table 4:

Table 4: Names of listed entities and category of directorship as at March 31, 2022

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

Shares held by non-executive Directors

Shares held by non-executive Directors of the Company are given in Table 5.

Table 5: Shares held by non-executive Directors

Name of the Directors	Number of Shares held as on March 31, 2022
Mr. Kushagra Bajaj	9,61,04,867

Induction & training of Board members

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

Familiarisation programmes for Independent Directors

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

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

Skills/Expertise/Competence of the Board of Directors

Matrix setting out the list of skills/expertise/competence identified by the Board of Directors as required in the context of the Company's business (es) and sector(s) for it to function effectively and those actually available with the Board are given in Table 6:

Table 6: List of skills/expertise/competence identified by the Board of Directors as required in the context of the Company's business(es) and sector(s)**Part A: Collective Skills**

Skill Area	Description	Skill/expertise/competence available with the Board
Strategy and planning	Ability to think strategically; identify and critically assess strategic opportunities and threats. Develop effective strategies in the context of the strategic objectives of Bajaj Hindusthan Sugar Limited relevant policies and priorities.	Yes
Policy Development	Ability to identify key issues and opportunities for Bajaj Hindusthan Sugar Limited and develop appropriate policies to define the parameters within which the organisation should operate.	Yes

Skill Area	Description	Skill/expertise/competence available with the Board
Governance, Risk and Compliance	Experience in the application of corporate governance principles in a commercial enterprise or other regulated entity.	Yes
	Ability to identify key risks to Bajaj Hindusthan Sugar Limited in a wide range of areas including legal and regulatory compliance.	Yes
	Experience in the appointment and evaluation of senior executive managers.	Yes
Financial Performance	Qualifications and experience in accounting and/or finance and the ability to:	
	• Analyse key financial statements;	Yes
	• Critically assess financial viability and performance;	
	• Contribute to strategic financial planning;	
	• Oversee budgets and the efficient use of resources;	
	• Oversee funding arrangements and accountability.	
Government Relations (policy & process)	Experience in managing government relations and industry advocacy strategies.	Yes
Member and stakeholder engagement	High level reputation and established networks in the consumer or business groups, and the ability to effectively engage and communicate with key stakeholders.	Yes
Commercial Experience	A broad range of commercial/business experience, in areas including communications, marketing, branding and business systems, practices and improvement.	Yes
Legal	Qualification and experience in legal practice with emphasis on:	
	• Sugar Industry	Yes
	• Employment law	
	• Health & Safety legislation	
Human Resource Management	Qualification and experience in human resource management with an understanding of:	
	• Sugar Industry	Yes
	• Employment law	
Information Technology / Digital Skills	Qualification and experience in IT Digital skills with an ability to apply new technology to the sugar industries.	Yes

Part B: Personal Attributes

Attributes	Description	Skill/expertise/competence available with the Board
Integrity (ethics)	A commitment to:	Yes
	• Understanding and fulfilling the duties and responsibilities of a Director, and maintaining knowledge in this regard through professional development;	
	• Putting Bajaj Hindusthan Sugar Limited interests before any personal interests;	
	• Acting in a transparent manner and declaring any activities or conduct that might be a potential conflict;	
	• Maintaining Board confidentiality at all times.	

Attributes	Description	Skill/expertise/competence available with the Board
Effective Communicator	The ability to:	Yes
	<ul style="list-style-type: none"> • Listen to, and constructively and appropriately debate, other people's viewpoints; 	
	<ul style="list-style-type: none"> • Develop and deliver cogent arguments; • Communicate effectively with a broad range of stakeholders. 	
Constructive Questioner	The preparedness to ask questions and challenge Bajaj Hindusthan Sugar Limited management and peer Directors in a constructive and appropriate way about key issues.	Yes
Contributor and Team Player	The ability to work as part of a team, and demonstrate the passion and time to make a genuine and active contribution to the Bajaj Hindusthan Sugar Limited Board.	Yes
Commitment	A visible commitment to the purpose for which the Company has been established and operates, and its ongoing success.	Yes
Leader	Innate leadership skills, including the ability to:	
	<ul style="list-style-type: none"> • Appropriately represent Bajaj Hindusthan Sugar Limited; • Set appropriate Board and organisation culture; • Make and take responsibility for decisions and actions. 	Yes

Confirmations of the Board regarding Independent directors

In the opinion of the Board, the independent directors fulfil the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

Evaluation of the Board's performance

During the financial year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and Individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues, etc. Separate exercise was carried out to evaluate the performance of individual Director, including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement safeguarding of minority shareholders interest, etc. The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and Non-independent Directors were carried out by the Independent Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

Code of Conduct

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

Prevention of insider trading code

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

Board Committees

Table 7: Board Committees during the financial year 2021-22

Committee	Members (Category)
Audit Committee	Mr. D. K. Shukla, Chairman* (Independent, Non-Executive) Ms. Shalu Bhandari (Independent, Non-Executive) Mr. Ashok Kumar Gupta, Managing Director (up to 30/06/2021) Mr. Veer Pal Singh, Executive Director (w.e.f. 02/07/2021 to 12/08/2021) Mr. Alok Kumar Vaish, Managing Director (w.e.f. 13/08/2021)
Nomination and Remuneration Committee	Mr. D. K. Shukla, Chairman* (Independent, Non-Executive) Ms. Shalu Bhandari (Independent, Non-Executive) Mr. Atul Hasmukhrai Mehta (Independent, Non-Executive)
Stakeholders Relationship Committee	Mr. Kushagra Bajaj (Chairman – Non-Executive) Mr. D.K. Shukla, Chairman* (Independent, Non-Executive) Ms. Shalu Bhandari (Independent, Non-Executive)
Corporate Social Responsibility Committee	Mr. Kushagra Bajaj, Chairman* (Chairman – Non-Executive) Mr. Ashok Kumar Gupta, Managing Director (up to 30/06/2021) Mr. Veer Pal Singh, Executive Director (w.e.f. 02/07/2021 to 12/08/2021) Mr. Alok Kumar Vaish, Managing Director (w.e.f.13/08/2021) Ms. Shalu Bhandari, (Independent, Non-Executive)
Risk Management Committee	Mr. Kushagra Bajaj, Chairman* (Chairman – Non-Executive) Mr. Ashok Kumar Gupta, Managing Director (up to 30/06/2021) Mr. Veer Pal Singh, Executive Director (w.e.f. 02/07/2021 to 12/08/2021) Mr. Alok Kumar Vaish, Managing Director (w.e.f.13/08/2021) Mr. Vinod C. Sampat (Independent, Non-Executive) Mr. Alok Kumar Vaish, Chief Financial Officer (up to 12/08/2021) Mr. Sunil Kumar Ojha, Chief Financial Officer (w.e.f. 14/08/2021) Mr. Kausik Adhikari, Company Secretary

* Chairman of the respective committee

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

Audit Committee

Brief description of terms of reference

The terms of reference of Audit Committee are quite comprehensive and include all requirements mandated under Regulation 18 of SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Committee 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 use of proceeds from Preferential Issue. The Audit Committee also continued to advise the management on areas where greater internal control and internal audit focus was needed and on new areas to be taken up for audit.

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

Composition, name of members and chairperson

The Audit Committee in Bajaj Hindusthan Sugar was constituted in 1989 and thereafter reconstituted from time to time as per the Companies Act, 2013 and SEBI Listing Regulations. The Committee's composition conforms to the requirements of Regulation 18 of SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013. The composition of Audit Committee is given in Table 7. All the committee members possess sound knowledge of accounts, audit and finance.

Meetings and attendance during the year

During the financial year ended March 31, 2022, the Audit Committee met five times on June 08, 2021, August 13, 2021, November 11, 2021, February 11, 2022 and March 29, 2022. The gap between any two meetings has been less than four months. All the seven Audit Committee meetings were held through video conferencing facility in terms of the circulars issued by the Ministry of Corporate Affairs.

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

Table 8: Attendance at the meetings of the audit committee of directors during financial year 2021-22

Name of Committee Members	Category	Audit Committee Meetings held / attended
Mr. D. K. Shukla, Chairman*	Independent, Non-Executive	05/05
Ms. Shalu Bhandari	Independent, Non-Executive	05/05
Mr. Ashok Kumar Gupta (up to 30/06/2021)	Managing Director	01/00
Mr. Veer Pal Singh (w.e.f. 02/07/2021 to 12/08/2021)	Executive Director	00/00
Mr. Alok Kumar Vaish (w.e.f. 13/08/2021)	Managing Director	03/03

*Chairman of the audit committee

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

Nomination and Remuneration Committee

Brief description of terms of reference

The terms of reference of Nomination and Remuneration Committee are quite comprehensive and include all requirements mandated under Regulation 19 of SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013. The terms of reference of the Committee inter alia includes the following:

- To determine the Company's policy on remuneration to Executive directors and their relatives working in the Company, including pension rights and compensation payments;
- Recommend to the board, all remuneration, in whatever form, payable to senior management;
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

Composition, name of members and chairperson

The Remuneration Committee was constituted in 2003 and has been re-christened as Nomination and Remuneration Committee with effect from August 11, 2010. The Committee was reconstituted from time to time as per Companies Act, 2013. The Committee's composition conforms to the requirements of Regulations 19 of SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013. At present, the Committee is consisting of three non-executive Directors. The composition of the Nomination and Remuneration Committee is given in Table 9.

Meeting and attendance during the year

During the financial year ended March 31, 2022, the Nomination and Remuneration Committee met three times on June 08, 2021, July 02, 2021 and August 13, 2021. The attendance of each Committee Member is provided in Table 9.

Table 9: Attendance at the meetings of the nomination and remuneration committee of directors during the financial year ended March 31, 2022

Name of Committee Members	Category	Nomination and Remuneration Committee Meetings held / attended
Mr. D. K. Shukla, Chairman*	Independent, Non-Executive	03/03
Ms. Shalu Bhandari	Independent, Non-Executive	03/03
Mr. Atul Hasmukhrai Mehta	Independent, Non-Executive	03/03

* Chairman of the committee

Performance evaluation criteria for independent directors

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

General

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

Strategic and Functional

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

Ethics and Values

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

Team Player

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

Self-Development

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

Remuneration Policy

The Nomination and Remuneration Committee is fully empowered to determine/approve and revise, subject to necessary approvals, the remuneration of managerial personnel including Whole-time Director and Managing Director after taking into account the financial position of the Company, trend in the industry, qualifications, experience, past performance and past remuneration, etc. The Non-Executive Directors are paid sitting fees for every meeting of the Board and its Committees attended by them.

Remuneration to Directors

Pecuniary relationship and transactions of non-executive directors with Bajaj Hindusthan Sugar

The Register of Contracts maintained by the Company pursuant to the provisions of Section 189(1) of the Companies Act, 2013 and rule 16(1) of the Companies (Meetings of Board & its Powers) Rules, 2014, contains particulars of all contracts or arrangements with any related party under Section 188 or in which any director is concerned or interested under sub section (2) of Section 184 applies. The Register is signed by all the Directors present during the respective Board meetings held from time to time.

Remuneration of Non-Executive Directors

Non-Executive Directors were paid a sitting fee of ₹ 40,000 for attending each Board Meeting, ₹ 20,000 for Audit Committee meeting and ₹ 10,000 for other committee meeting. With effect from November 11, 2021, the Board of Directors of the Company has revised the sitting fees from ₹ 40,000 to ₹ 50,000 for attending each Board Meeting, from ₹ 20,000 to ₹ 25,000 for Audit Committee Meeting and from ₹10,000 to ₹12,000 for other committee meeting. The details of sitting fees paid to Non-Executive Directors during the financial year ended March 31, 2022 are provided in Table 10.

Remuneration of Executive Director

The Executive Director – Mr. Alok Kumar Vaish was paid remuneration as per their respective terms of appointment approved by the shareholders of the Company. No pension is paid by the Company to any of the Directors.

The Company did not advance any loans to any of the Executive and/or Non-Executive Directors during the period under review. The details of remuneration paid to the Directors of the Company are given in Table 10.

Table 10: Remuneration of Directors during the financial year ended March 31, 2022

Name of Directors	Salary ₹	Commission	Performance linked incentive	Sitting fees ₹	Total ₹	Notice period
Mr. Kushagra Bajaj, Chairman (Non-Executive)	--	--	--	1,24,000	1,24,000	N.A.
Mr. Ashok Kumar Gupta,* Managing Director (up to 30/06/2021)	1,63,83,177	--	--	--	1,63,83,177	2 months
Mr. Veer Pal Singh (w.e.f. 02/07/2021 to 12/08/2021)	5,85,786	--	--	--	5,85,786	2 months
Mr. Alok Kumar Vaish, Managing Director (w.e.f.13/08/2021)	87,45,933	--	--	--	87,45,933	2 months
Mr. D. K. Shukla	--	--	--	5,67,000	5,67,000	N.A.
Mr. Atul Hasmukhrai Mehta	--	--	--	4,42,000	4,42,000	N.A.
Mr. Vinod C. Sampat	--	--	--	4,24,000	4,24,000	N.A.
Ms. Shalu Bhandari	--	--	--	5,79,000	5,79,000	N.A.
Mr. Ashok Mukand	--	--	--	4,00,000	4,00,000	N.A.
Mr. Amir Singh Yadav (up to 02/11/2021)	--	--	--	--	--	N.A.
Mr. Ramani Ranjan Mishra (w.e.f.11/11/2021)	--	--	--	1,50,000	1,50,000	N.A.

Note: The term of office of Mr. Alok Kumar Vaish is up to August 12, 2026. The Company does not have any service contract with any of the Directors.

No Stock options was given to directors.

* The salary of Mr. Ashok Kumar Gupta includes amount of gratuity of ₹ 1.11 crore.

Stakeholders' Relationship Committee

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

The Committee is headed by Mr. D.K. Shukla as a Chairman consists of the members as stated in Table 11 below. During the financial year ended March 31, 2022, the Stakeholders' Relationship Committee met one time on June 08, 2021.

The attendance of each Committee Member is provided in Table 11.

Table 11: Attendance at the meetings of the stakeholders' relationship committee during the financial year ended March 31, 2022

Name of Committee Members	Category	Stakeholders' Relationship Committee Meetings held / attended
Mr. Kushagra Bajaj	Non-Executive - Promoter	01/00
Mr. D. K. Shukla, Chairman*	Independent, Non-Executive	01/01
Ms. Shalu Bhandari	Independent, Non-Executive	01/01

*Chairman of the Committee

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

Name and designation of compliance officer

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

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

Details of shareholders' complaints during the year

The detailed particulars of investors' complaints handled by the Company and its Registrar & Share Transfer Agent during the financial year are stated in Table 12.

Table 12: Details of investor complaints during the financial year ended March 31, 2022

	Number of Shareholders' complaints received during 2021-22	Solved to the satisfaction of Shareholders	Not solved to the satisfaction of Shareholders	Number of Pending Complaints
Non-receipt of Dividend/ Dividend Warrant	3	3	NA	0
Non-receipt of Share Certificate	1	1	NA	0
Non-receipt of Annual Report	0	0	NA	0
Legal and others	1	1	NA	0
Total	5	5	NA	0

None of the complaints is pending for a period exceeding 30 days.

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

Risk Management Committee

Constitution

The Company has constituted a Risk Management Committee as required under Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee is headed by the Chairman, Mr. Kushagra Bajaj and consists of the members as stated in Table 13 below.

Brief description of terms of reference

The terms of reference of Risk Management Committee are quite comprehensive and include all requirements mandated under SEBI (LODR) Regulations, 2015. The Committee focussed its attention to periodically assess risks to the effective execution of business strategy and review key leading indicators in this regard, to review the cyber security of the Company, to review and approve the Risk Management Framework of the Company, to evaluate significant risk exposures of the Company and assess management's actions to mitigate the exposures in a timely manner.

Table 13: Composition of Risk Management Committee during the financial year ended March 31, 2022

Name of Committee Members	Category
Mr. Kushagra Bajaj, Chairman	Chairman
Mr. Ashok Kumar Gupta (up to 30/06/2021)	Managing Director
Mr. Veer Pal Singh (w.e.f. 02/07/2021 to 12/08/2021)	Executive Director
Mr. Alok Kumar Vaish (w.e.f. 13/08/2021)	Managing Director
Mr. Vinod C. Sampat	Independent Director – Non-Executive
Mr. Alok Kumar Vaish (up to 12/08/2021)	Chief Financial Officer
Mr. Sunil Kumar Ojha (w.e.f. 14/08/2021)	Chief Financial Officer
Mr. Kausik Adhikari	Company Secretary

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

During the financial year ended March 31, 2022, one meeting was held on November 11, 2021 for the Risk Management Committee. All Committee Members were present at the Meeting.

Corporate Social Responsibility Committee

Constitution

The Company has constituted a Corporate Social Responsibility Committee (CSR) as required under Section 135 of the Companies Act, 2013. The Committee is headed by the Board Chairman, Mr. Kushagra Bajaj and consists of the members as stated in Table 14 below.

Table 14: Composition of corporate social responsibility committee during the financial year ended March 31, 2022

Name of Committee Members	Category
Mr. Kushagra Bajaj, Chairman	Chairman (Non-Executive)
Mr. Ashok Kumar Gupta (up to 30/06/2021)	Managing Director
Mr. Veer Pal Singh (w.e.f. 02/07/2021 to 12/08/2021)	Executive Director
Mr. Alok Kumar Vaish (w.e.f. 13/08/2021)	Managing Director
Ms. Shalu Bhandari	Independent, Non-Executive

During the year under review, the Corporate Social Responsibility Committee met on February 11, 2022. The attendance of each Committee Member is provided in Table 15.

Table 15: Attendance at the meetings of the CSR Committee during the financial year ended March 31, 2022

Name of Committee Members	Category	CSR Committee Meetings held / attended
Mr. Kushagra Bajaj, Chairman	Chairman (Non-Executive)	01/01
Mr. Ashok Kumar Gupta (up to 30/06/2021)	Managing Director	00/00
Mr. Veer Pal Singh (w.e.f. 02/07/2021 to 12/08/2021)	Executive Director	00/00
Mr. Alok Kumar Vaish (w.e.f.13/08/2021)	Managing Director	01/01
Ms. Shalu Bhandari	Independent, Non-Executive	01/01

Independent Directors' Meeting

During the year under review, the Independent Directors met on November 11, 2021, inter alia, to:

- Evaluate performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluate performance of the Chairman of the Company, taking into account the views of the Executive and Non- Executive Directors;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

CEO/CFO Certification

The Managing Director and Chief Finance Officer of the Company have certified to the Board of Directors, inter alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of the Listing Regulations for the year ended March 31, 2022.

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 (during the financial year 2021-22)

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 i.e. FY 2019-20, 2020-21 and 2021-22.

Whistle blower/Vigil mechanism policy

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

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

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

(1) The Board

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

(2) Training of Board members

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

(3) Reporting of Internal Auditor

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

Policy for determining material subsidiary

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

Policy on dealing with related party transactions

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

Disclosure of commodity price risks/foreign exchange risk and commodity/foreign exchange hedging activities**A. Commodity risks and hedging**

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

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

B. Foreign exchange risks and hedging

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

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

Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

Bajaj Hindusthan Sugar Limited entered into a Master Restructuring Agreement on December 30, 2014 ("MRA") with the lenders (collectively referred to as "JLF Lenders"), in accordance with the applicable framework and guidelines issued by the Reserve Bank of India ("RBI") for the restructuring of the various loans and financial assistance granted by the JLF Lenders in accordance with a Restructuring Scheme approved by the JLF Lenders under the Joint Lenders Forum. Pursuant to the obligations on the Promoters of the Company under the MRA, the Promoters granted an unsecured loan of ₹ 200 crore to the Company during the period November 13, 2014 to September 24, 2015. As per request of the Promoters, consortium of lenders granted their approval for the proposed conversion of loan into equity and accordingly the Company has allotted 14,38,00,000 equity shares to promoter/promoter group entity on preferential basis upon conversion of loan.

The issue and allotment of equity shares to the promoter/promoter group entity was not resulted in inflow of any fresh funds since the money has already been received six years back.

During the year, no fund was raised through qualified institutions placement.

Certificate regarding non-disqualification of directors

The Company has obtained a certificate from M/s Anant B Khamankar & Co., Practising Company Secretary that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

Disclosure regarding non-acceptance of recommendation of any committee of the board

During the year, there was no such instance where the board had not accepted any recommendation of any committee of the board which is mandatorily required.

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part

During the year 2021-22, following fees were paid to the statutory auditors by the Company.

Amount in ₹

Sr. No.	Nature of services	Fees paid
1	Statutory audit	32,00,000
2	Tax audit	-
3	Limited review	7,00,000
	Total	39,00,000

Notes:

1. Fees paid including provisions made during the year.
2. Amount paid excluding GST.
3. No fees were paid by subsidiary of the Company to the statutory auditors of the Company.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a. Number of complaints filed during the financial year : Nil
- b. Number of complaints disposed of during the financial year : Nil
- c. Number of complaints pending as on end of the financial year : Nil

Steps for prevention of insider trading practices

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

Disclosure of the compliance with corporate governance requirements

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

Information to shareholders

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

Report on corporate governance

This section, read together with the information given in the sections titled (i) Management Discussion and Analysis Report and (ii) Shareholder Information, constitutes a detailed compliance report on Corporate Governance during the financial year ended March 31, 2022.

Management discussion and analysis

Management Discussion and Analysis is given in a separate section forming part of the Board's 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 Board's Report for the financial year ended March 31, 2022 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 90th AGM	Monday, the 26th day of September, 2022 at 11.00 A.M. at the Conference Hall, General Office, Bajaj Hindusthan Sugar Ltd., 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 16)

Table 16: Date, Time and Venue of Annual General Meetings held

AGM	Day, Date & Time	Venue
87th AGM	Friday, 20 th September, 2019 at 11.00 A.M.	Conference Hall, General Office, Bajaj Hindusthan Sugar Limited, Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh-262 802
88th AGM	Tuesday, 29 th September, 2020 at 11.00 A.M.	Through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")
89 th AGM	Wednesday, 15 th September, 2021 at 11.00 A.M.	Through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")

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

87th AGM

Subject matter of the resolutions	Type of resolution
1. Ratification of the remuneration payable to Cost Auditors	Ordinary Resolution
2. Appointment of Mr. Amir Singh Yadav (DIN: 08481111) as a Nominee Director of the Company	Ordinary Resolution
3. Remuneration payable to Mr. Ashok Kumar Gupta (DIN: 02608184), the Whole-time Director, re-designated as Managing Director of the Company with effect from August 14, 2019 till April 14, 2021 (being the date of attainment of age of 70 (seventy) years at the amended terms and remuneration)	Special Resolution

88th AGM

Subject matter of the resolutions	Type of resolution
1. Appointment of Statutory Auditor M/s R.S. Dani & Co., Chartered Accountants for a period of five years from conclusion of this 88th AGM until the conclusion of 93rd AGM in place of retiring auditor M/s Chaturvedi & Shah LLP, Chartered Accountant - Ordinary Business	Ordinary Resolution
2. Appointment of Mr. Atul Has mukhrai Mehta (DIN: 00112451) as an Independent Director for 5 years w.e.f. January 01, 2020 up to December 31, 2024 - Special Business	Ordinary Resolution
3. Re-appointment of Mr. Ashok Kumar Gupta (DIN: 02608184) as the Managing Director for a period of 5 years w.e.f. April 15, 2021 up to April 14, 2026	Special Resolution
4. Ratification of the remuneration payable to Cost Auditors	Ordinary Resolution

89th AGM

Subject matter of the resolutions	Type of resolution
1. Appointment of Mr. Vinod C. Sampat (DIN: 09024617) as an Independent Director for 5 years w.e.f. January 21, 2021 up to January 20, 2026 - Special Business	Ordinary Resolution

Subject matter of the resolutions		Type of resolution
2.	Re-appointment of Ms. Shalu Bhandari (DIN: 00012556) as an Independent Director of the Company to hold office for the second term of 5 (five) consecutive years with effect from September 17, 2021 to September 16, 2026 – Special Business	Special Resolution
3.	Ratification of the remuneration payable to Cost Auditors – Special Business	Ordinary Resolution
4.	Appointment of Mr. Alok Kumar Vaish (DIN: 07250267) as Managing Director of the Company for a period of 5 (five) years with effect from August 13, 2021 up to August 12, 2026, liable to retire by rotation and fixing remuneration – Special Business	Special Resolution

The summary of Special Resolution and other important resolutions passed at the Extra-ordinary General Meeting are reported below:

EGM held on July 15, 2022

Subject matter of the resolutions	Type of resolution
Issue of equity shares on preferential basis to Promoter/Promoter group entity of the Company, on conversion of existing unsecured loan – Special Business	Special Resolution

Dividend announcement

In view of inadequacy of profit during the year under review, directors do not recommend any dividend for the current year. The Dividend paid in the previous year was nil.

Date of book closure

Monday, September 19, 2022 to Monday, September 26, 2022 (both days inclusive).

Transfer of unclaimed dividend to Investor Education and Protection Fund

The amounts of dividend, sum of matured fixed deposits, sum of interest on matured deposits, etc. which has remained unpaid or unclaimed for 7 years have been transferred to the Investor Education and Protection Fund within the time stipulated by law on respective due dates in accordance with the provisions of Section 124(5) of the Companies Act, 2013. During the year, there is no unpaid dividend lying with the Company for transfer to Investor Education and Protection Fund due to loss incurred and did not declared any dividend.

Transfer of unclaimed equity shares to Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Sections 124 and 125 of the Companies Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time), all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred in the name of IEPF Authority.

The following shares were credited to IEPF as prescribed under the Rules:

ISIN Description	Debit/Credit	Records	No. of Shares	Execution Date
Bajaj Hindusthan Sugar Limited EQ FV ₹ 1/- each	Credit	2,899	5,26,490	19/12/2017
Bajaj Hindusthan Sugar Limited EQ FV ₹ 1/- each	Credit	362	2,03,080	16/12/2017
Bajaj Hindusthan Sugar Limited EQ FV ₹ 1/- each	Credit	1,740	1,50,575	16/12/2017
Bajaj Hindusthan Sugar Limited EQ FV ₹ 1/- each	Credit	1,484	1,05,301	22/12/2017
Total No. of shares credited		6,485	9,85,446	

Both the unclaimed dividends and the shares transferred to the IEPF can be claimed back by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the "Rules". So far 7 shareholders have claimed (2,230 shares) from IEPF Authority after complying with the procedure prescribed under the "Rules".

Disclosures with respect to unclaimed/unpaid dividend

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

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

Accordingly, unpaid/unclaimed dividends for the years 1997-98 to 2011-12 were transferred by the Company to the said fund on respective due dates. This would be followed by the transfer of the amounts of unpaid/unclaimed dividends every year in respect of dividends for subsequent years.

No dividend was declared after 2011-12.

Unclaimed shares in the suspense account

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

Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the Suspense account lying as on March 31, 2021	449	2,63,620
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	2	2,550
Number of shareholders to whom shares were transferred from the suspense account during the year	2	2,550
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2022	447	2,61,070

The voting rights on the shares outstanding in the suspense accounts as on March 31, 2022 shall remain frozen till the rightful owner of such shares claims the shares.

Information on directors being appointed / re-appointed

The information regarding Directors seeking appointment/re-appointment at the ensuing Annual General Meeting is given under Annexure to the Notice convening 90th Annual General Meeting.

Means of Communication

Financial Results: The Company has published its quarterly, half-yearly and annual results in Economic Times and Nav Bharat Times (vernacular) at Lucknow. Quarterly results were sent to the Stock Exchanges immediately after the Board approved them. The financial results and other relevant information are regularly and promptly updated on the website of the Company at www.bajajhindusthan.com.

News releases, presentations, among others: Official news releases and official media releases are sent to Stock Exchanges and are displayed on its websites of the Company at www.bajajhindusthan.com.

Website: The Company's website (www.bajajhindusthan.com) contains a separate dedicated section 'Investor Corner' where shareholders' information is available. The Company's Annual Report is also available in downloadable form.

Annual Report: The Annual Report containing, inter alia, Audited Financial Statements, Audited Consolidated Financial Statements, Board's Report, Auditor's Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis Report (MDAR) forms part of the Annual Report.

Chairman's Communique: The Chairman's Letter forms part of the Annual Report.

NSE electronic application processing system (NEAPS)

The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, among others are filed electronically on NEAPS.

BSE corporate compliance & listing centre (the 'Listing Centre')

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, among others are also filed electronically on the Listing Centre.

SEBI complaints redress system (SCORES)

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are centralised database of all complaints, online upload of Action Taken Reports (ATR) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Share transfer

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

Registrar to an issue and share transfer agent

M/s. Link Intime India Private Limited, as the Registrar and Share Transfer Agents (RTA) of Bajaj Hindusthan Sugar, handle all share transfers and related processes. They provide the entire range of services to the Shareholders of the Company relating to share transfers, change of address or mandate and dividend. The electronic connectivity with both the depositories - National Securities Depository Limited and Central Depository Services (India) Limited is also handled by M/s. Link Intime India Private Limited.

Share transfer system

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

The number of shares transferred in physical category during the year ended March 31, 2022 was 200 shares as compared to Nil in 2020-21

Dematerialisation of shares and liquidity

During the year ended March 31, 2022, 19,650 shares were dematerialised as compared to 5,280 shares during 2020-21. The distribution of shares in physical and electronic modes as at March 31, 2022 and March 31, 2021 is provided in Table 17.

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

Categories	Position as at March 31, 2022		Position as at March 31, 2021		Shares Dematerialised during the year ended March 31, 2022	
	No. of Shares	% to total shareholding	No. of Shares	% to total shareholding	No. of Shares	% to total shareholding
Physical	8,21,837	0.064	8,40,677	0.075	-18,840	-0.010
Demat:						
NSDL	83,35,32,714	65.254	79,13,36,081	69.810	4,21,96,633	-4.556
CDSL	44,30,05,391	34.681	34,13,83,184	30.116	10,16,22,207	4.566
Sub-total	1,27,65,38,105	99.936	1,13,27,19,265	99.926	14,38,18,840	0.010
Total	1,27,73,59,942	100.00	1,13,35,59,942	100.00	-	-

Listing on Stock Exchanges and Stock Codes

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

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

The ISIN Number of Company's Equity Shares (face value of ₹ 1 per share) for NSDL & CDSL: INE306A01021. Company has paid listing fees for the financial year 2022-23 to all the stock exchanges where its securities are listed.

Market price data

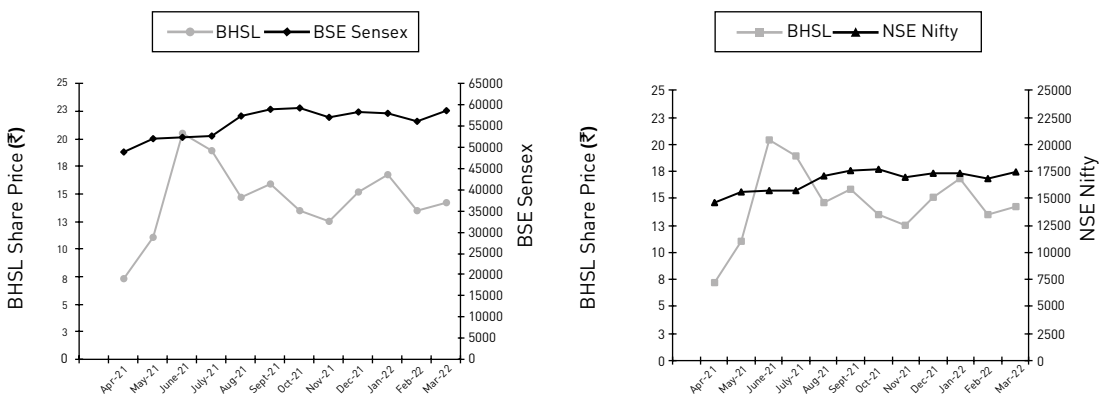
The details of high/low market price of the equity shares of the Company at BSE Limited and at The National Stock Exchange of India Limited (NSE) during the last accounting year of the Company are provided hereunder. (See Table 18)

Table 18: Monthly high/low market price of equity shares of Bajaj Hindusthan Sugar Limited during the period ended March 31, 2022

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 2021	7.65	6.12	7.27	7.65	6.10	7.25
May 2021	14.28	7.10	11.05	14.15	7.10	11.05
June 2021	20.46	10.80	20.46	20.35	10.80	20.35
July 2021	24.75	16.45	18.95	24.65	16.80	18.90
August 2021	19.40	13.25	14.65	19.25	13.25	14.60
September 2021	16.40	14.00	15.89	16.40	14.00	15.90
October 2021	17.65	13.15	13.45	17.65	13.10	13.45
November 2021	15.25	12.47	12.57	15.25	12.45	12.55
December 2021	15.65	12.24	15.18	15.70	12.00	15.15
January 2022	18.25	14.55	16.80	18.25	14.50	16.80
February 2022	17.25	13.05	13.50	17.20	13.15	13.50
March 2022	16.95	13.30	14.21	17.00	13.30	14.20

The comparable movements of Bajaj Hindusthan Sugar shares against the broad-based indices, namely BSE Sensex and NSE Nifty during the year ended March 31, 2022 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, 2022 (See Table 19)

Table 19: Shareholding distribution as at March 31, 2022

Category	No. of shareholders	% of total holders	No. of Shares	% of Capital
Up to 500	2,97,235	71.4674	4,09,46,608	3.2056
501 to 1000	49,169	11.8222	4,17,98,443	3.2723
1001 to 2000	28,713	6.9038	4,53,32,275	3.5489
2001 to 3000	11,593	2.7874	3,03,76,693	2.3781
3001 to 4000	5,493	1.3207	1,99,10,179	1.5587
4001 to 5000	6,085	1.4631	2,92,25,281	2.2879
5001 to 10000	9,257	2.2258	7,07,49,631	5.5387
10001 and above	8,358	2.0096	99,90,20,832	78.2098
Total	4,15,903	100.0000	1,27,73,59,942	100.0000

Shareholding Pattern

Table 20 gives the shareholding pattern of the Company as at March 31, 2022

Table 20: Shareholding pattern as at March 31, 2022

Categories	March 31, 2022		March 31, 2021	
	No. of Shares	Percentage	No. of Shares	Percentage
Promoters	31,87,43,422	24.95	17,49,43,422	15.43
Mutual Funds/UTI	2,000	0.00	2,000	0.00
Financial Institutions/ Banks	23,20,08,749	18.16	40,91,32,453	36.09
Insurance Companies	4,31,65,896	3.38	4,31,65,896	3.81
Foreign Institutional & Foreign Portfolio - Corp.	1,52,67,773	1.20	16,31,797	0.14
NRIs & OCBs	1,67,37,694	1.31	1,16,85,499	1.03
GDRs	--	--	--	--
Others	65,14,34,408	51.00	49,29,98,875	43.50
Total	1,27,73,59,942	100.00	1,13,35,59,942	100.00

Reconciliation of share capital audit

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

Investor services

The Company under the overall supervision of the Company Secretary is committed to provide efficient and timely services to its shareholders. The Company has appointed M/s Link Intime India Private Limited as its Registrar and Share Transfer Agent for rendering the entire range of services to the shareholders of the Company with regard to share transfer, change of address, change of mandate, dividend, etc.

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

Outstanding Instruments	No. of Convertible instruments	Value in ₹	Conversion dates	Likely impact on equity shares of the Company*
Optionally Convertible Debentures	34,83,24,626	34,83,24,62,600	Final redemption/ Conversion date March 31, 2037	2,35,99,22,940

*The Company has allotted 34,83,24,626 fully paid-up Optionally Convertible Debentures (OCDs) of face value ₹100 each to the lenders of the Company pursuant to the Scheme for Sustainable Structuring of Stressed Assets (S4A Scheme). For the purpose of likely impact on equity shares of the Company, it is assumed that OCDs will be converted into equity shares based on the conversion price of ₹ 14.76, being the price for issue of equity shares under S4A Scheme as per the pricing guidelines for issuance of equity shares under the RBI circular dated June 08, 2015 on Strategic Debt Restructuring Scheme read with Regulation 70(5) of Securities and Exchange Board of India (Issue of Capital and Disclosures Requirement) Regulations, 2015.

Credit Ratings

Credit Rating obtained by the Company for its bank facilities from Credit Analysis & Research Limited (CARE Ratings Limited) on December 22, 2021 are given below:

Sr. No.	Facilities	Amount (₹ Crore)	Ratings	Rating Action
1	Long-term Bank Facilities	5,811.75 (Reduced from 6,497.99)	CARE D (Single D)	Reaffirmed
2	Short-term Bank Facilities	278.83	CARE D (Single D)	Reaffirmed
	Total facilities	6,090.58		

Nomination

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of all the registered shareholder/s. The prescribed form for such nomination can be obtained from the Company. Nomination facility in respect of shares held in electronic form is also available with depository participant (DP) as per the bye-laws and business rules applicable to NSDL and CDSL.

Mandatory requirement of PAN

SEBI vide its circular dated January 07, 2010 has made it mandatory to furnish PAN Card copy in the following cases:

- I. Deletion of name of deceased shareholder(s), where the shares are held in the name of two or more shareholders;
- II. Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder;
- III. Transposition of shares – in case of change in order of names in which physical shares are held jointly in the names of two or more shareholders.

Subsidiary companies

There is no material non-listed Indian subsidiary Company requiring appointment of Independent Director of the Company on the Board of Directors of the subsidiary Company. The requirements of the SEBI (LODR) Regulations, 2015 with regard to subsidiary companies have been complied with.

Plant locations

Sugar mills

- | | |
|--|--|
| 1. Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh | 8. Khambarkhera, District Lakhimpur-Kheri, Uttar Pradesh |
| 2. Palia Kalan, District Lakhimpur-Kheri, Uttar Pradesh | 9. Gangnauli, District Saharanpur, Uttar Pradesh |
| 3. Kinauni, District Meerut, Uttar Pradesh | 10. Maqsoodapur, District Shahjahanpur, Uttar Pradesh |
| 4. Thanabhawan, District Shamli, Uttar Pradesh | 11. Pratappur, District Deoria, Uttar Pradesh |
| 5. Budhana, District Muzaffarnagar, Uttar Pradesh | 12. Rudauli, District Basti, Uttar Pradesh |
| 6. Bilai, District Bijnor, Uttar Pradesh | 13. Utraula, District Balrampur, Uttar Pradesh |
| 7. Barkhera, District Pilibhit, Uttar Pradesh | 14. Kundarkhi, District Gonda, Uttar Pradesh |

Co-Generation

- | | |
|--|---|
| 1. Palia Kalan, District Lakhimpur-Kheri, Uttar Pradesh | 8. Gangnauli, District Saharanpur, Uttar Pradesh |
| 2. Barkhera, District Pilibhit, Uttar Pradesh | 9. Maqsoodapur, District Shahjahanpur, Uttar Pradesh |
| 3. Khambarkhera, District Lakhimpur-Kheri, Uttar Pradesh | 10. Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh |
| 4. Kinauni, District Meerut, Uttar Pradesh | 11. Pratappur, District Deoria, Uttar Pradesh |
| 5. Thanabhawan, District Shamli, Uttar Pradesh | 12. Rudauli, District Basti, Uttar Pradesh |
| 6. Budhana, District Muzaffarnagar, Uttar Pradesh | 13. Utraula, District Balrampur, Uttar Pradesh |
| 7. Bilai, District Bijnor, Uttar Pradesh | 14. Kundarkhi, District Gonda, Uttar Pradesh |

Distillery

1. Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh
2. Palia Kalan, District Lakhimpur-Kheri, Uttar Pradesh
3. Kinauni, District Meerut, Uttar Pradesh
4. Khambarkhera, District Lakhimpur-Kheri, Uttar Pradesh
5. Gangnauli, District Saharanpur, Uttar Pradesh
6. Rudauli, District Basti, Uttar Pradesh

Board division

1. Palia Kalan, District Lakhimpur-Kheri, Uttar Pradesh
2. Kundarkhi, District Gonda, Uttar Pradesh
3. Kinauni, District Meerut, Uttar Pradesh

Address for Correspondence**AND / OR**

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
- 2) The Registrars and Share Transfer Agent of the Company M/s. Link Intime India Private Ltd. at their following address:
By Post / Courier / Hand Delivery
Link Intime India Private Limited
C 101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400 083
Tel. No. : +91-22-4918 6000
Fax No. : +91-22-4918 6060
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

Declaration

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

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

For Bajaj Hindusthan Sugar Limited

Sd/-
Kushagra Bajaj
Chairman
(DIN: 00017575)

Mumbai
May 20, 2022

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

To

The Members of

Bajaj Hindusthan Sugar Limited

1. This certificate is issued in accordance with the terms of our engagement with Bajaj Hindusthan Sugar Limited ('the Company').
2. We have examined the compliance of conditions of corporate governance by the Company, for the year ended on March 31, 2022, as stipulated in regulations 17 to 27 and clause (b) to (i) of regulation 46(2) and Para C, D and E of Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 (the listing regulation).

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

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation, and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in listing regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedure and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.
5. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirement by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certificate of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the standards on auditing specified under section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on reports or Certificates for special purposes issued by the ICAI which requires that we comply with the ethical requirement of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C, D and E of Schedule V of the Listing Regulation during the year ended March 31, 2022.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
10. This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

For Sidharth N Jain & Company

Chartered Accountants

(Firm Registration No.: 018311C)

Sd/-

Sidharth Jain

Proprietor

Membership No.: 134684

UDIN : 22134684AJHOJX7400

Lucknow

May 20, 2022

Certificate of Non-Disqualification of Directors

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

To,

The Members,

Bajaj Hindusthan Sugar Limited

Golagokarannath, Lakhimpur, Kheri - 262 802

Uttar Pradesh, India

Pursuant to Clause 10 (i) of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with regulation 34(3) of the said Listed Regulations, we hereby certify that none of the Directors on the Board of Bajaj Hindusthan Sugar Limited have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority as on the financial year ended on March 31, 2022.

For Anant B Khamankar & Co.

Company Secretaries

Sd/-

Anant B. Khamankar

FCS No. : 3198

C P No. : 1860

UDIN : F003198D000358421

Date : May 20, 2022

Place : Mumbai

Management Discussion and Analysis

I. Global Scenario

Year 2021-22 (Oct – Sept) is the Year when India is poised to export record quantity in excess of 9.0 Million MT Sugar and become 2nd largest exporter of Sugar in World after Brazil. Lower Sugar production in Brazil CS due to severe drought conditions gave opportunity to Indian Sugar Mills to export their excess Sugar production and thus bring kind of balancing to global balance sheet and also Indian balance sheet.

Year 2021-22 is estimated to be 2nd consecutive year of Sugar deficit in World balance sheet with estimated deficit of 1.93 Million MT after deficit of 2.3 Million MT during the Year 2020-21. 2 consecutive deficit years helped Sugar prices to remain firm and at highest level in last 3 years as can be seen from the Price graphs give below:-

The graph of ICE 11 (Raw Sugar) and LIFFE (White Sugar) exchange prices during last 3 years i.e. April 2019 – March 2022 is given below:-

Chart 1: ICE 11 Price Movement

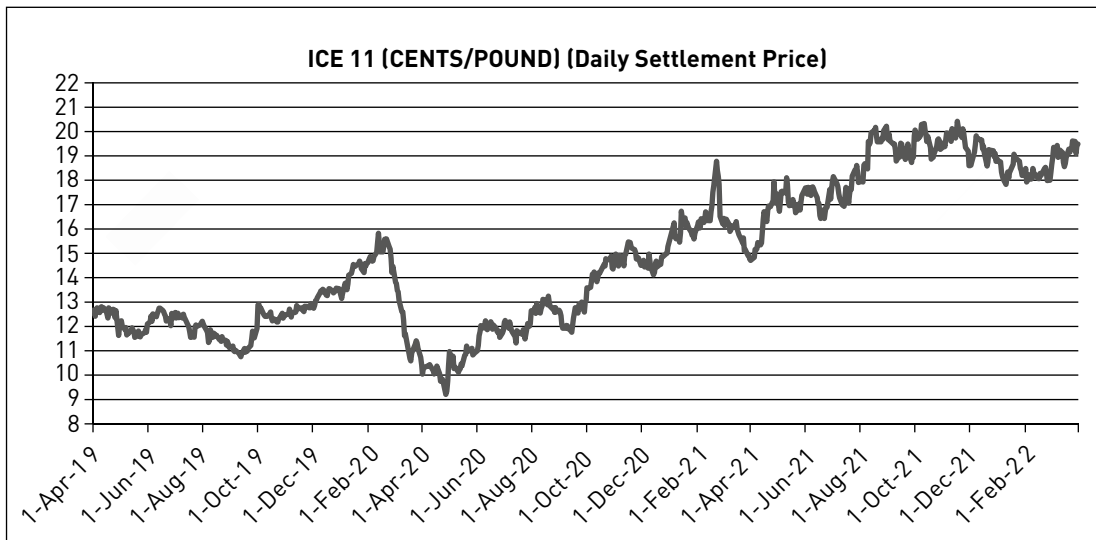
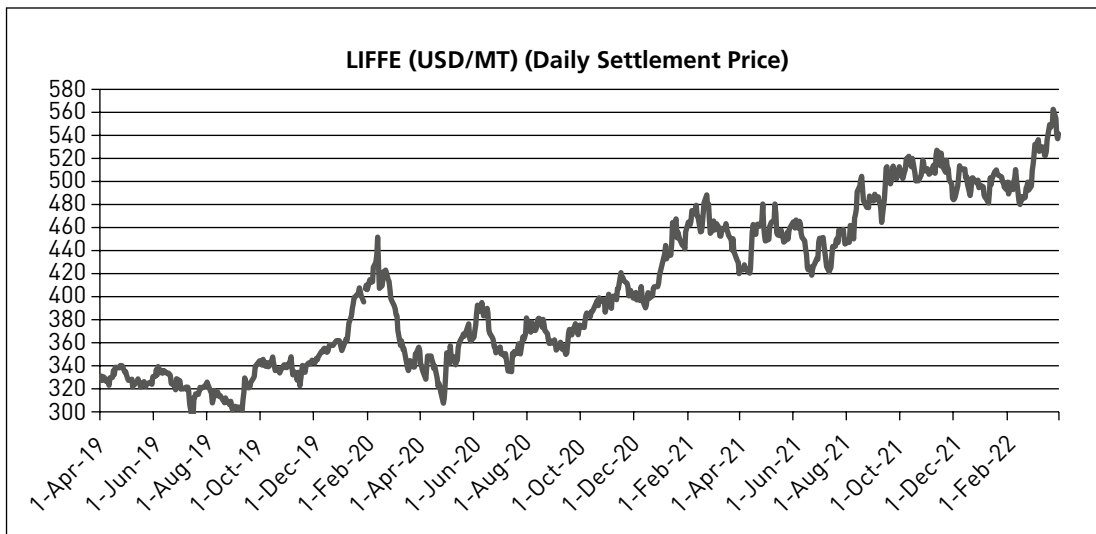


Chart 2: LIFFE Price Movement



From the above price graph of 3 years, it can be observed Sugar price has continuously firmed up owing to fact that Year 2020-21 and 2021-22 turned out to be deficit years in global balance sheet.

In between dip of Sugar price during April 2020 has been due to weak macro factors across the globe due to onslaught of COVID from March / April 2020.

ICE 11 (Raw Sugar Prices) :

Raw Sugar prices started from the level of 12.67 cents/pound as on April 1, 2019, touched the low of 9.2 cents during April 2020, high of 20.4 cents during November 2021 and closing level of 19.5 cents as on March 31, 2022.

LIFFE (White Sugar Prices):

White Sugar prices started from the level of 330.1 USD/MT as on April 1, 2019, touched low of 294 USD during July 2019, high of 563 USD during March 2022 and closing level of 541.5 as on March 31, 2022,

Table 1: Global Balance Sheet

Unit : 000 Metric tonnes, Raw value

Year (Oct-Sept)	Production	Import	Consumption	Export	End Stocks
2008-09	142961	48395	151520	48390	69490
2009-10	148391	53993	151960	53997	65917
2010-11	156177	53870	153096	53865	69013
2011-12	163597	54325	157962	54321	74652
2012-13	171804	60655	163572	60632	82956
2013-14	174132	58361	165282	57917	92257
2014-15	169373	58259	166888	58270	94731
2015-16	164114	66195	169978	66322	88740
2016-17	169080	64730	172691	64989	84870
2017-18	180731	62823	172240	62825	93359
2018-19	176118	57927	174308	58011	95169
2019-20	169127	66193	169180	65926	98879
2020-21 (P)	169032	62789	171326	62754	96550
2021-22 (P)	170512	58053	172440	58257	94425

Source : ISMA

Table 2: Major sugar producing countries during last three years

Unit : 000 Metric tonnes, Raw value

S.No.	Name of Country	2018-19	2019-20	2020-21 (P)
1	Brazil	29030	39654	38716
2	India	33160	27410	31190
3	China	10503	10415	10663
4	Thailand	14441	8228	7560
5	U.S.A.	7551	6908	7707
6	Mexico	6426	5278	5715
7	Pakistan	5552	4988	5760
8	Australia	4102	3862	4198
9	Germany	3825	3980	3854
10	France	5060	4758	3338
11	Russia	6292	7063	5175
12	Indonesia	2267	2095	2130
13	Philippines	2037	2146	2138
14	Argentina	1617	1861	1780

S.No.	Name of Country	2018-19	2019-20	2020-21 (P)
15	Colombia	2207	2179	2102
16	South Africa	2307	2116	1856
17	Guatemala	2930	2764	2565
18	Poland	2190	2066	1987
19	Turkey	2283	2587	3069
20	Ukraine	1669	1312	1020
21	Egypt	2519	2280	2750
22	Cuba	1193	1200	816
23	Peru	1146	1172	1125
24	Vietnam	1174	769	690
25	Iran	1520	1377	1307

Source : ISMA . Year (Oct-Sept)

Given below is analysis of International Sugar price, various factors affecting price during the Year 2021-22 (April – March) as under:-

Chart 3: ICE 11 Price Movement

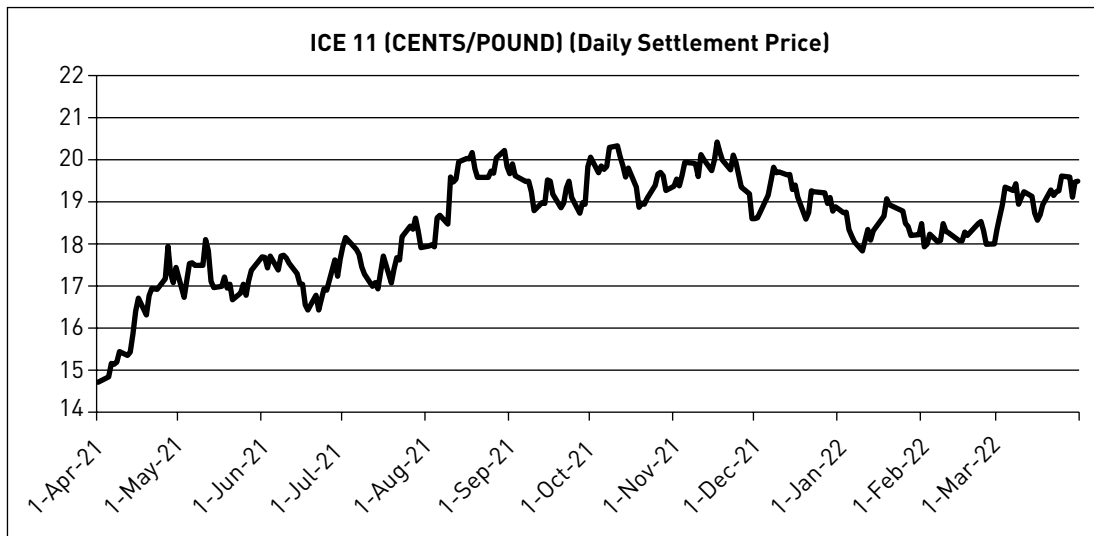
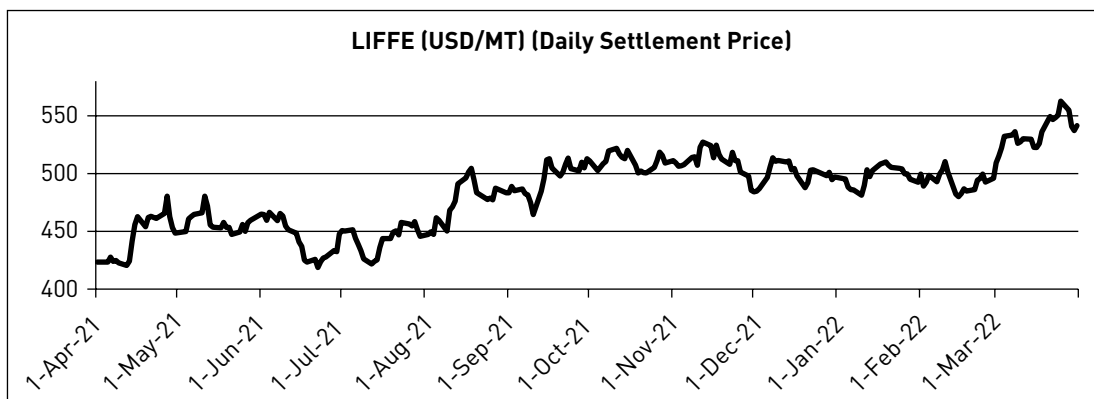


Chart 4: LIFFE Price Movement



From the above graphs for the Year 2021-22 (April – March), it can be seen that it has been a good year from Sugar price perspective where price has continuously increased.

ICE 11 price started from the level of 14.7 cents as on April 1, 2021, remained above 20 cents for quite some time with closing level at 19.5 cents as on March 31, 2022.

LIFFE price started from the level of 423 as on April 1, 2021 (lowest level during the Year), high of 563 USD/MT as on March 25, 2022 with closing level of 542 USD/MT as on March 31, 2022.

During the year, Sugar prices remained attractive enough so as to pull Indian Sugar out of the country for exports without any Government financial assistance.

Influence factors during the Year 2021-22 (Oct – Sept)

India :

Indian Exports during current year 2021-22 is a surprise element for World trade and no one has envisaged that country would be able to export 6 Million MT Sugar in first 6 months of the Year without any Government Financial assistance. Since World market needed Indian Sugar, International Sugar prices has chased Indian domestic price parity so as to pull Indian Sugar out of the system. Indian Exporters have also done a wonderful job in managing port / transit logistics and using the available infrastructure to its optimum capacity.

Indian Sugar production has provided much-needed balancing factor to World balance sheet which could have been in big – big deficit due to drastic decline in Brazil Sugar production due to severest of drought country has ever witnessed. While, current estimate of Indian Sugar export is 9 Million MT (as against last year export of 7.19 Million MT), it may go above 9 Million MT to 9.5–10 Million MT particularly if Sugar production crosses 35 Million MT mark.

While, Government is keeping a watch on Sugar exports quantum and country's stock position, export of 9.0–9.5 Million MT should not be a problem particularly because it is going without any export assistance and next year 2022-23 is again estimated to be high production year to the tune of 34 Million MT.

Brazil CS :

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

Particulars	Unit	Year April – March				
		2017-18	2018-19	2019-20	2020-21	2021-22
		Actual	Actual	Actual	Estimated	Estimated
Total cane crush	Million MT	596.31	573.13	590.36	605.46	523.89
Sugar Production	Million MT	36.06	26.51	26.76	38.46	32.05
Ethanol Production	Billion Litres	26.09	30.95	33.26	30.37	27.52
Diversion of Cane						
Used for sugar	%	46.46	35.21	34.33	46.16	45.07
Used for ethanol	%	53.54	64.79	65.67	53.84	54.93
TRS		136.60	137.89	138.57	144.72	142.97

Source : UNICA

From the above figures, it can be observed that due to severe drought conditions in Brazil, cane crush during 2021-22 has come down to 523.9 Million MT from the level of 605.46 Million MT last year i.e. drop of 13.5%. Cane crush of 523.9 Million MT is lowest in last 5 years as can be seen from the table above and has badly affected the capacity utilisation of Brazilian Industry. TRS of Cane (Sucrose content) has come down from the level of 144.72 during 2020-21 to level of 142.97 during 2021-22 i.e. decline of 1.2%. While, diversion of cane towards Sugar has significantly increased during the Year 2020-21 to 46.16% from the level of 34.33% last year, during 2021-22 it has marginally come down to level of 45.07%. Because of lower availability of cane, reduced TRS of cane and marginally lower diversion of cane towards Sugar, Sugar production in Brazil CS during 2021-22 has come down by whopping 16.7% to 32.05 Million MT as against 38.46 Million MT last year.

In the above table, very interesting pattern of switch of cane between Sugar & Ethanol can be observed which is driven by Sugar / Ethanol price parity and is unique in Brazil. During 2017-18, cane diversion towards Sugar was 46.46% which next year reduced to 35.21%, remained almost at same level of 34.3% during 2019-20. Cane diversion towards Sugar again recovered during 2020-21 and was at 46.16% when Brazil CS produced 38.46 Million MT Sugar but came down marginally to 45.07% during 2021-22.

For the Year 2022-23, while Brazil CS cane crush figures will improve from the level of 523.9 Million MT by 4-8% as predicted by various agencies. However, it is estimated that cane diversion towards Sugar will further come down which will keep Sugar production almost same.

There are various estimates of wide variation by various Research agencies for Brazil CS.

As per USDA, Sugarcane fields are still struggling with the damage caused during drought of 2020-21 and severe frosts in late June and July 2021. However, there have been good rainfalls since Oct 2021, though with irregular distribution in different regions which should help mitigate the damage caused so far. A marginal replacement of the sugarcane area with soybeans and corn is also expected, thus reducing the sugarcane crushing area. The current conflict in Ukraine has brought no significant impact to the current sugarcane crop, given that fertiliser purchases/utilisation have occurred beforehand. However, if the war persists, fertiliser supply might be an issue for next year's crushing.

As per Platts, during 2022-23, cane crush will be 555.4 Million MT and Sugar production will be 32.0 Million MT owing to lower diversion of cane towards Sugar at level of 42.9%.

During 2022-23, USDA estimates Brazil CS cane crush at 560 Million MT, with Sugar production of 33.3 Million MT and Sugar / Ethanol ratio at same level as of last year. Brazil North East Sugar production is estimated at level of 3.07 Million MT which will take total Brazil Sugar production to 36.37 Million MT.

UNICA estimates cane crush of 550 – 560 Million MT with Sugar production at level of 34.3 Million MT. UNICA announced crop performance during current year 2022-23 up to April 16 as per which Sugar production is down by 79.94% as compared to corresponding period last year as under :-

Table 4: Crop Performance by UNICA – during current year 2022-23 up to April 16

Particulars	Unit	Cumulative up to April 15, 2022		
		2022-23 (April - March)	2021-22 (April - March)	YoY%
Total cane crush	Million MT	5.19	15.67	-66.87
Sugar Production	Million MT	0.13	0.63	-79.94
Ethanol Production	Billion Litres	0.40	0.74	-45.92
Diversion of Cane				
Used for sugar	%	25.95	38.80	
Used for ethanol	%	74.05	61.20	
TRS		98.66	109.28	-9.72

(Performance up to April 16 is just initial trend and is not indicative performance for whole year).

It is delayed start of crushing season, however, Brazil Sugar Industry will have to struggle for Cane crush, TRS and also availability of cane for Sugar as it is estimated that cane diversion will further come down towards Sugar this year.

EU:

During 2022-23, Sugar production is estimated to come down 16.3 Million MT as against 16.55 Million MT during 2021-22 as farmers reduced sugar beet plantings in favour of other profitable crops. During 2020-21, Sugar production was 15.96 Million MT.

Thailand:

As per Thailand Cane Sugar Industry data, during Year 2021-22, Mills produced 10.11 Million MT Sugar as of April 2018 out of which 7.49 Million MT is Raw Sugar. It is expected that Thailand estimated to produce 10.2 Million MT Sugar during 2021-22 as against 7.5 Million MT during 2020-21. While, there has been sizeable growth in Sugar production during 2021-22 (36%), during 2022-23, Sugar production

is estimated at 10.5 Million MT, almost at same level of 2021-22 due to high fertiliser costs and limited acreage expansion.

Australia: Due to better yields, Sugar production during 2022-23 is estimated to improve to 4.45 Million MT as against 4.12 Million MT during 2021-22 and 4.33 Million MT during 2020-21. Raw Sugar exports during 2022-23 are estimated at 3.45 Million MT as against 3.2 Million MT last year.

Crude Oil

Crude Oil plays major influencing role for Sugar prices as it is one of the major macro factors and secondly higher crude oil prices indicate higher diversion of cane towards ethanol thus in direct proportion to Sugar prices. Firming of crude oil prices particularly after Ukraine war has helped Sugar prices and export campaign from India.

During period April 2021 - March 2022, Crude oil price (Brent) started at level of 64.86 USD/barrel as on April 1, 2021, touched low of 61.25 USD, high of 139.13 USD with closing level of 113.45 USD/barrel as on March 31, 2022. Average crude Oil price through the Year worked out to 79.80 USD/barrel.

Currency

Brazilian Real: During the Year (April – March) 2021-22, Brazilian real has performed well and appreciated from the level of 5.71 in beginning of April 2021 to the level of 4.77 by end of March 2022 which means appreciation of 16.5%. During the year, the weakest level was 5.76, strongest level was 4.71 with average level of 5.34.

Indian Rupee : On the contrary, INR has depreciated during 2021-22 (April – March), from the level of 73.33 as on April 1, 2021 to 75.80 as on March 30, 2022 i.e. depreciation of 3.37%. During the year, the strongest level has been 72.32, weakest level has been 77.19 with average of 74.5.

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

Year 2021-22 is estimated to be deficit year with deficit of 1.93 Million MT in global Sugar balance sheet as per ISO. During the year, loss of Sugar production in Brazil has been compensated by India, Thailand, EU & Russia. During 2020-21, the Sugar deficit was at level of 2.29 Million MT as per ISO. This Sugar deficit in global balance sheet has helped India exporting its surplus production and thus balancing domestic balance sheet.

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

As per Green pool commodities, there is projection of global surplus of 1.4 Million MT during 2022-23 which earlier was projected as deficit of 0.74 Million MT. With production for 2022-23 projected at 34 Million MT in India, country will continue to export continuously and influence Global balance sheet and prices.

II. Indian Scenario

Indian Sugar Industry is in the process of creating new records on all fronts, be it Sugar production, Sugar exports, diversion of sugar towards Ethanol, Ethanol production and also increasing Sugar consumption despite COVID related jerks in last 2 years. During 2021-22, India is slated to become World's largest producer of Sugar surpassing Brazil, and second largest exporter of Sugar after Brazil. Sugar production in excess of 30 Million MT is new normal for Indian Sugar Industry. In last 5 years (since Year 2017-18), All India Sugar production has crossed the level of 30 Million MT 4 times with Sugar Production of 31.19 Million MT during 2020-21.

During Sugar Year 2021-22 (Oct-Sept) , while All India Sugar Production is estimated to touch the all-time high level of 35 Million MT as per ISMA with states of Maharashtra & Karnataka taking the lead, many in Trade estimate that Sugar Production may cross 35.0 Million MT and reach in range of 35.5 – 35.8 Million MT.

On export front, in last 3 years, every year a new record is created which is a surprise for International Trade. While India has regularly been exporting Sugar but there had been no consistency in volumes. This year (2021-22) India has shaken the world market by exporting 6 Million MT in first 6 months of the Year.

During Sugar Year 2019-20, country exported all-time high Sugar quantity of 5.95 Million MT. Very next year during 2020-21, country broke this record and exported a quantity of 7.19 Million MT. Now to the

surprise of trade across the Globe, country is poised to create another record by exporting a whopping quantity in excess of 9 Million MT.

International Trade has started recognising India as a serious and consistent Sugar exporter and thus big influencer for Global balance sheet. In last 10 years, India has regularly exported Sugar in big quantities though in between export pace / quantities were slow.

On Ethanol side also diversion of Sugar towards Ethanol is increasing every year. During 2018-19, diversion of Sugar towards Ethanol started from the level of 0.5 Million MT, which got increased to level of 0.8 Million MT next year and then to 2.0 Million MT during 2020-21 which now is estimated at level of 3.4 Million MT during Sugar Year 2021-22.

Sugar consumption continues to increase at CAGR of 2.0% in last 10 years and touched level of 26.56 Million MT during 2020-21 and is estimated at level of 27.2 Million MT during 2021-22.

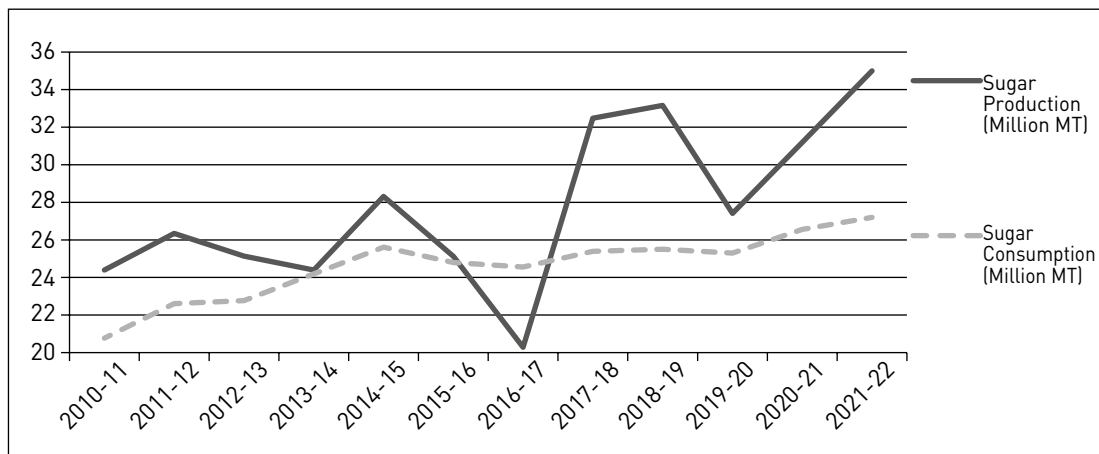
Surplus Production

Year 2021-22 will be 12th year in row (except Year 2016-17), when Sugar production will be more than the consumption.

While, continued increased Sugar production helped farmers on account of better yield, Sugar Mills with better recovery and capacity utilisation, it had its own challenges as to how to tackle surplus Sugar production. It had been quite a crisis for Industry as it led to increasing Sugar inventories, decreasing Sugar price levels, mounting cane arrears, etc.

But with Government intervention and support, Industry has been able to turnaround this crisis into opportunity by becoming leading Sugar exporter and also diverting excess Sugar towards Ethanol thus increasing Ethanol production for the much ambitious Government of India's Ethanol bio-fuel campaign.

Chart 5: The graphical representation of Sugar Production and Sugar consumption for last 12 years



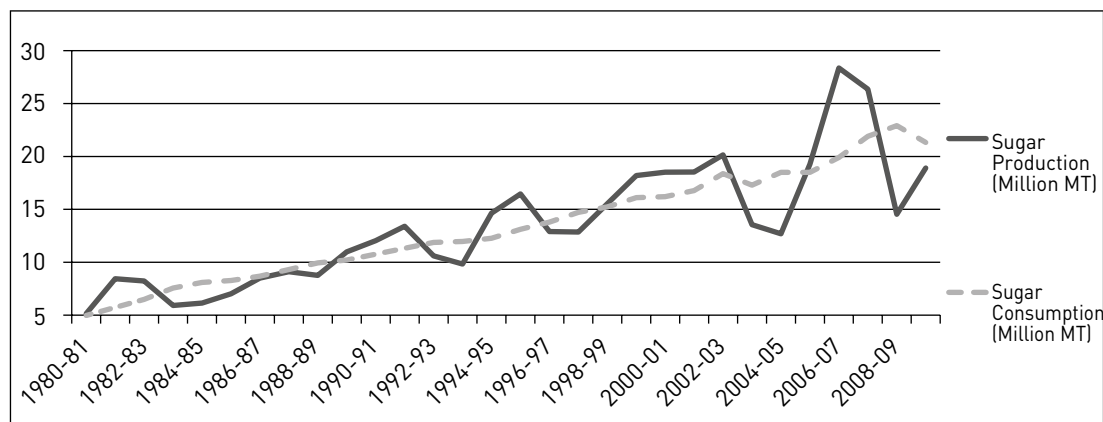
Sugar Year (Oct - Sept)

From the above graph, it can clearly be observed that in last 12 years Sugar production is always in excess & higher than consumption (except 2016-17). Since last 3 years, country had been exporting Sugar with help of Government financial assistance, however during current year 2021-22, country is estimated to export a quantity in excess of 9 Million MT with no Government assistance due to viable International Sugar prices.

With active support of the Government, every year Ethanol supply to Oil companies for blending purpose is increasing and this year it is targeted that country will be able to achieve blending percentage of 10% for the first time. In fact country has already achieved average blending percentage of 9.77% till April 17, this Ethanol supply Year (Dec - Nov). (Last year blending percentage was 8.1%).

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

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

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

Sugar Year (Oct – Sept)

State-wise Sugar Production

Table 5: State-wise Sugar Production on All India basis since the Year 2017-18 given below in Table:-

Unit : Million MT						
S.No.	State	2017-18	2018-19	2019-20	2020-21	2021-22
1	Uttar Pradesh	12.05	11.82	12.64	11.06	10.20
2	Maharashtra	10.72	10.72	6.17	10.65	13.40
3	Karnataka	3.75	4.43	3.49	4.47	6.20
4	Gujarat	1.11	1.12	0.93	1.05	1.10
5	Andhra Pradesh	0.47	0.51	0.29	0.20	0.20
6	Punjab	0.82	0.79	0.54	0.55	0.55
7	Haryana	0.84	0.70	0.74	0.76	0.70
8	Bihar	0.72	0.84	0.73	0.48	0.45
9	Tamil Nadu	0.71	0.96	0.79	0.88	1.10
10	Madhya Pradesh & Chhattisgarh	0.55	0.56	0.46	0.54	0.55
11	Uttarakhand	0.42	0.40	0.46	0.41	0.40
12	Telangana	0.27	0.26	0.14	0.10	0.10
13	Others	0.05	0.05	0.04	0.04	0.05
	Total	32.48	33.16	27.41	31.19	35.00

Sugar Year (Oct – Sept)

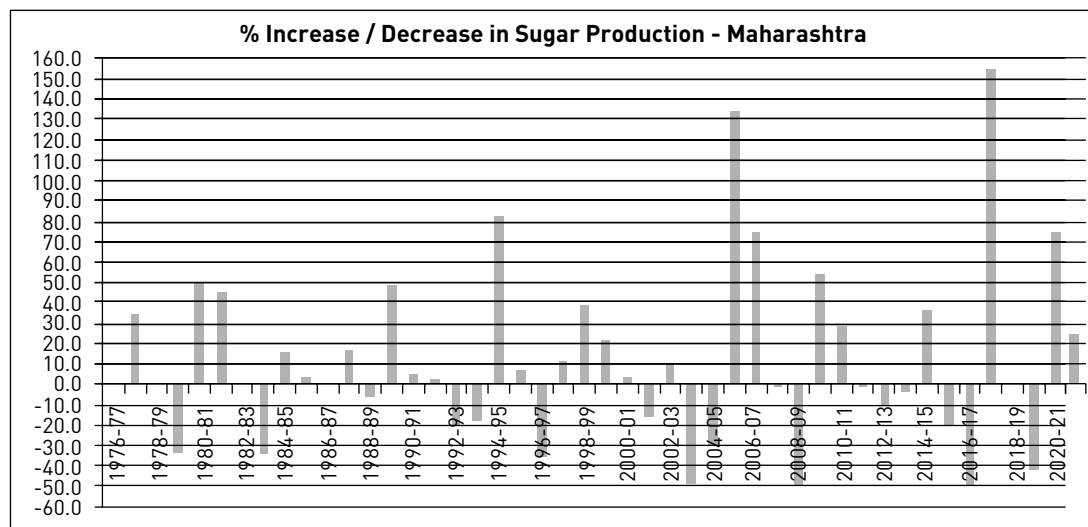
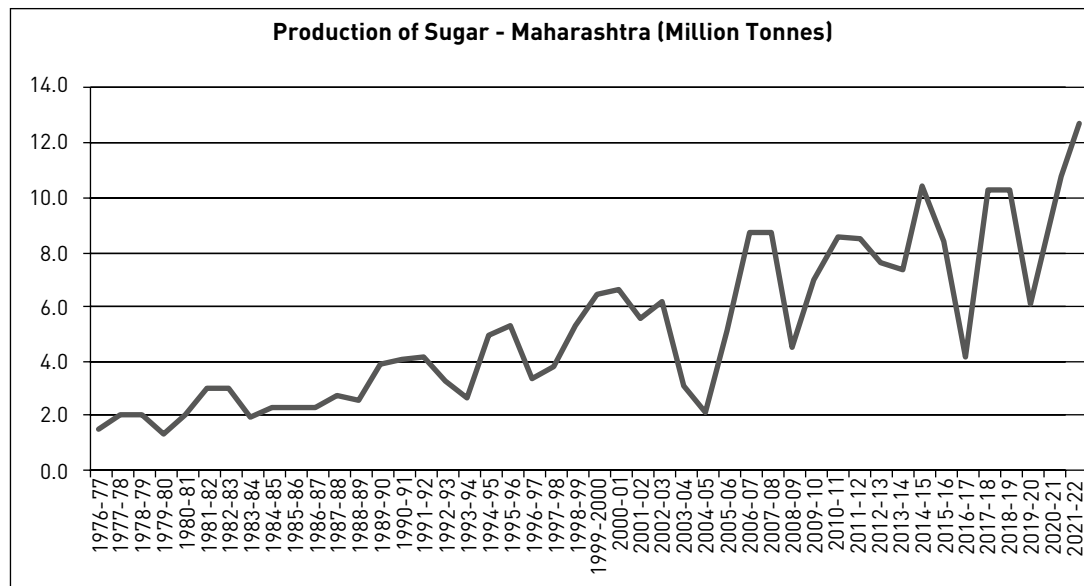
Country is poised towards an all-time high Sugar production of 35 Million MT, thanks to excellent lead taken by states of Maharashtra & Karnataka. In last 5 years, U.P. state is the consistent performer and Sugar production of the state has been hovering between 11.0 – 12.0 Million MT. It is during 2021-22, Sugar production is estimated at lower level to 10.2 Million MT due to higher diversion of Sugar towards Ethanol and lower Sugar recovery.

During the year 2021-22, Maharashtra has surprised everybody by expectedly producing 13.4 Million MT as against UP's production estimate of 10.2 Million MT and thus snatching the title of number 1 Sugar producing state in country.

Maharashtra Sugar production is volatile and in between there are large swings in Sugar production. For instance during the Year 2016-17, there has been a dip of 50% in Sugar production. During 2017-18, normalcy returned to Sugar production with increase of 155% in Sugar production. Again after 2 years during 2019-20, dip in production by 42% and during 2020-21 increase in Sugar production by 72.6% and estimated increase of 25.8% during 2021-22.

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

Chart 7: Production of Sugar - Maharashtra



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

On similar lines as of Maharashtra, Karnataka is slated to produce record Sugar of 6.2 Million MT during Year 2021-22 as against 4.5 Million MT last year i.e. increase of 37.8%.

Tamil Nadu is another state which is on recovery path and estimated to produce 25% higher Sugar to level of 1.1 Million MT as against 0.88 Million MT last year.

The details of yields and recovery of various states are given below from where it can be seen that how the productivity in terms of yield and recovery has changed.

Table 6: Statewise Yield of Sugarcane

State	(MT/hectare)						
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Maharashtra	93.0	76.0	60.0	108.0	85.0	77.0	97.1
U.P.	55.0	53.0	62.0	77.0	71.0	70.0	67.9
Karnataka	94.0	78.0	60.0	94.5	91.0	92.0	99.5
Gujarat	71.0	75.0	60.0	72.0	69.0	59.0	65.8
Tamil Nadu	88.0	98.0	81.0	60.0	73.0	70.0	72.2
Andhra Pradesh & Telangana	66.0	66.0	51.0	65.0	65.0	51.0	45.2
Punjab	67.0	74.0	74.0	84.0	86.0	69.0	78.0
Haryana	69.0	65.0	71.0	83.0	72.0	76.0	79.4
Bihar	50.0	50.0	50.0	62.0	66.0	61.0	49.0
M.P. & Chhattisgarh	60.0	51.0	54.0	71.0	74.0	66.0	68.6
Uttarakhand	53.0	51.0	57.0	65.0	60.0	67.0	68.0
Odisha	50.0	50.0	38.0	40.0	42.0	40.0	34.5

Sugar Year (Oct – Sept)

From above, it can be observed that Yield of all states across the country has significantly increased during the Year 2020-21 (except U.P., Andhra Pradesh, Bihar & Odisha).

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

State	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Maharashtra	11.29	11.33	11.25	11.24	11.27	11.28	10.50
U.P.	9.54	10.61	10.61	10.84	11.46	11.29	10.78
Karnataka	11.06	10.74	10.19	10.60	10.73	9.94	9.80
Gujarat	10.34	10.38	10.58	10.55	10.82	10.75	10.22
Tamil Nadu & Puducherry	8.67	8.74	8.92	8.64	8.80	8.54	8.97
Andhra Pradesh	9.38	9.35	9.37	9.53	9.40	8.96	8.85
Punjab	9.42	10.06	9.78	9.78	10.14	9.59	9.02
Haryana	9.94	10.52	10.34	10.39	10.36	10.58	10.26
Bihar	9.18	9.77	9.21	9.58	10.39	10.79	10.36
M.P. & Chhattisgarh	9.48	9.78	9.70	9.63	9.87	9.85	10.20
Uttarakhand	9.24	9.61	9.85	10.24	10.97	11.20	10.99

Sugar Year (Oct – Sept)

From above table, it can be seen that since last 3 years, U.P. state has surpassed Maharashtra and is number one state in Sugar recovery now. During 2020-21, Uttarakhand recovery was at 10.99 better than U.P. due to lower diversion of sugar towards Ethanol.

Other states following these 3 states are Bihar, Haryana & Gujarat.

All India Sugar Balance Sheet

Table 8: Domestic Production and Consumption

Particulars	Unit : Million MT										
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	Sugar Year (Oct - Sept) (Actual) - Million MT										Estimate - Million MT
A. Total availability - All India											
a) Opening Stock as on Oct 01	5.9	6.16	9.3	7.5	9.1	7.8	3.9	10.7	14.6	10.7	8.2
b) Production during season	26.3	25.1	24.4	28.3	25.1	20.3	32.5	33.2	27.4	31.2	35.0
c) Imports	0.0	0.7	0.1	0.0	0.0	0.4	0.2	0.0	0.0	0.0	0.0
Total supply availability	32.2	32.4	33.8	35.8	34.2	28.5	36.6	43.9	42.0	41.9	43.2
B. Total Sugar Offtake : All India											
a) Internal consumption	22.6	22.8	24.2	25.6	24.8	24.6	25.4	25.5	25.3	26.6	27.2
b) Exports	3.0	0.3	2.1	1.1	1.7	0.0	0.5	3.8	6.0	7.2	9.0
Total offtake	25.6	23.1	26.3	26.7	26.5	24.6	25.9	29.3	31.3	33.7	36.2
C. Closing Stock as on Sept 30 • All India	6.6	9.3	7.5	9.1	7.8	3.9	10.7	14.6	10.7	8.2	7.0
D. Stock as % of Internal Consumption (%)	29.2	40.8	30.9	35.5	31.3	15.8	42.2	57.2	42.4	30.8	25.7
E. Additional diversion of Sugar towards Ethanol in form of B-heavy I Sugar Syrup	-	-	-	-	-	-	-	5.0	8.0	20.0	34.0

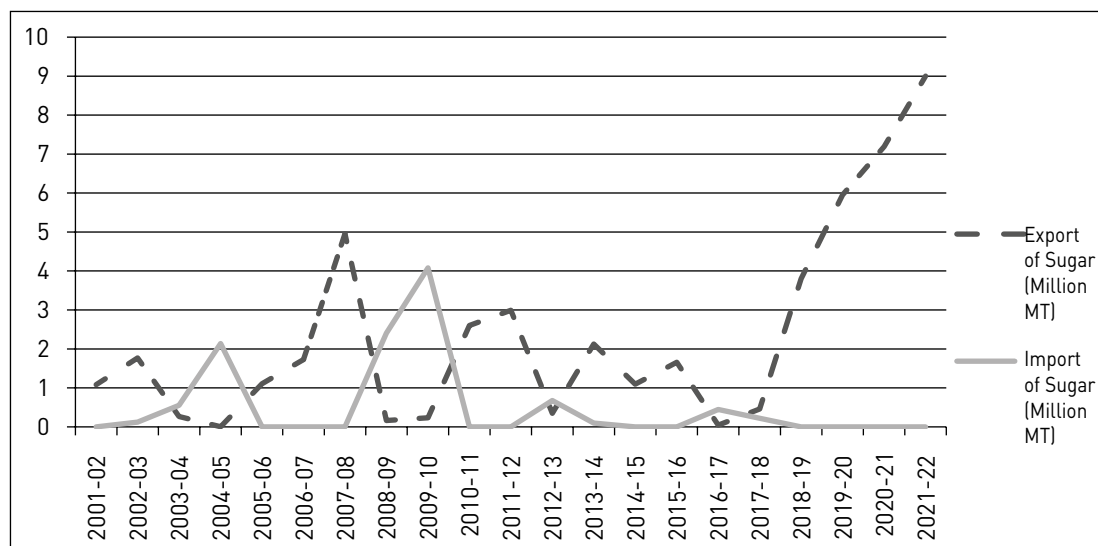
Sugar Year (Oct – Sept)

From the above table, following can be observed:-

- Country continues to produce Sugar higher than consumption and because of good export campaign, is managing to keep Sugar stocks in control.
- From the high of 14.6 Million MT Sugar closing stock during the year 2018-19, it is estimated that it will come down to the level of 7.0 Million MT by end of 2021-22.
- Sugar exports are estimated to rise up to the level of 9.0 Million MT during 2021-22 because of viable International Prices and evolving of excellent logistics including ports in country.
- While sugar consumption is growing at CAGR of 2.0% in last 10 years, Sugar consumption growth during 2020-21 is almost 5% which is because of some adjustments in Trade pipeline stocks.

Pattern of All India Sugar Exports / Imports

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



Till the Year 2010-11, Sugar production was cyclical in nature and this cyclicity in Sugar Production led to cyclicity of Sugar Exports & Imports. During the years of surplus, country Exported Sugar and during the years of deficit, country imported Sugar and thus it became a big swing factor for Global Sugar demand supply balance sheet as well.

From the above graph, it can be seen that till the Year 2010-11, Sugar import and export has been cyclical means after every 2-3 years either country is exporting Sugar or importing Sugar in a big way.

However from the year 2010-11 onwards due to consistent higher Sugar Production much more than the demand, country had been exporting Sugar on regular basis with very little imports in between.

Policy initiatives by the Government:-

The task in hand with Government has been to tackle the problem of Sugar surplus in system, ensure that Sugar prices don't fall below certain viable levels because of excess Sugar, ensure liquidity with Sugar Mills for cane payments, increase of Ethanol production.

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

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

Given below is the Gist of policy initiatives by the Government in last few years

a) Promoting Exports of Sugar:-

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

Furnished below is a snapshot since the Year 2018-19 on Sugar exports where Government motivated the Industry by giving export quotas to Industry and also related assistance in different forms as under:-

Sugar Year 2018-19

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

On Sept 26, 2018, to boost Sugar Exports and for the purpose of offsetting cost of cane, Government announced following financial assistance:-

- Government announced to pay defraying expenses towards Internal transport, freight, handling, etc. to Sugar Mills on Export of Sugar as under:-
 - ₹ 1.0 per Kg for Sugar mills within 100 kms from Port
 - ₹ 2.5 per Kg for Sugar mills beyond 100 kms from port in coastal states
 - ₹ 3.0 per Kg for Sugar Mills in Non-coastal states
- Financial assistance of ₹ 13.88 per Qtl. of cane on cane crushed during the Sugar Year 2018-19 subject to Sugar Mills complying with all the directives of Department of Food including exports quota and monthly release. The incidence of this financial assistance worked out to approx. ₹ 8.3 per kg on Sugar exported.
- To facilitate and motivate Sugar exports, Department also decided to give additional Sale quota in domestic market to the ones exporting Sugar and reduce the domestic quota of the Sugar Mills not exporting Sugar.

Sugar Year 2019-20

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

- The Central Government agreed to provide an assistance @ ₹ 10,448 per Metric Tonne for expenses on export of sugar to the sugar mills in the following manner:-
 - ◇ For marketing including handling, quality up-gradation, de-bagging & re-bagging and other processing costs etc. @ ₹ 4,400 per MT.
 - ◇ For internal transport and freight charges including loading, unloading and fobbing etc. @ ₹ 3,428 per MT.
 - ◇ For ocean freight against shipment from Indian Ports to the ports of destination countries etc. @ ₹ 2,620 per MT.

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

Year 2020-21 :

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

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

Later during the Year in the month of May 2021, the said assistance was reduced to ₹ 4,000 per MT due to improved International Sugar Prices.

Year 2021-22 :

During the Year, since International Sugar prices were favourable, Government has not given any quota / Export assistance for the Year. However, issued advisory to Mills to maximise exports and take benefit of firm International Sugar prices, which also help in improved cash flow.

Most of the Sugar during 2021-22 is being exported from coastal states of Maharashtra & Karnataka.

b) Maintaining Sugar Price in market

MSP (Minimum Selling Price of Sugar)

Due to high Sugar production resulting into excess Sugar supply in market, Sugar prices across the country started coming down and had come down below the cost of Production. To arrest falling Sugar prices, Government fixed Minimum uniform selling price of Sugar at Mill level, across the country as under:-

- On June 6, 2018, Government approved fixing of Minimum Price of ₹ 29.0 per Kg for Sugar below which no Sugar Mill can sell in domestic market.
- On Feb 14, 2019, Government increased MSP of Sugar from the level of ₹ 29 per Kg to ₹ 31 per Kg.

During 2020-21, there had been various recommendations including Group of Ministers for increase in MSP of Sugar by ₹ 2.0 per Kg to ₹ 33.0 per kg but no final decision taken.

There has been no increase in MSP since Feb 2019 (more than 3 years now) and it is high time that Government should increase MSP in line with increasing cost in terms of cane price / other inputs to level of ₹ 40 per Kg which is also being pursued by Industry bodies.

c) Monthly Sales release mechanism

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

On June 7, 2018, Government imposed reverse Stock limit on Sugar Mills stating that all producers of Sugar by vacuum pan process shall hold such quantity of Sugar (White or refined) at the end of each month as may be specified by the Central Government for each month.

To arrive at the figure of stocks which Sugar Mills were required to carry at the end of each month, Sugar Mills were given Monthly Sales Release Quantity above which Sugar Mills cannot sell in domestic market.

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

d) Buffer Stock / subsidy

Government had allowed buffer stock of 4.0 Million MT starting from August 1, 2019 till July 31, 2020. Government allowed buffer subsidy of 13% per annum which included Interest of max 12% per annum or actual as charged by bank (whichever is less) and Insurance including storage charges of 1.5% per annum.

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

e) Cane Price

State Advised Price (SAP) :

U.P. State Government increased SAP for the year 2021-22 by ₹ 25 per Qtl as under:-

Early Variety : From ₹ 325 per Qtl to ₹ 350 per Qtl.

General Variety : From ₹ 315 per Qtl to ₹ 340 per Qtl.

Rejected Variety : From ₹ 310 per Qtl to ₹ 335 per Qtl.

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

Fixed & Remunerative Price (FRP) : For the Sugar Year 2021-22, Central Government had increased the Cane FRP by ₹ 5.0 per Qtl from the level of ₹ 285 per Qtl. to ₹ 290 per Qtl. linked with 10% Sugar recovery.

For every 0.1 percent increase in Sugar recovery above 10 percent, a premium of ₹ 2.90 per Qtl will be paid by Sugar Mills.

Also, the government has made a provision for reduction in FRP by ₹ 2.90 per quintal for every 0.1 percentage point decrease in recovery, in respect of those mills whose recovery is below 10 per cent but above 9.5 per cent. However, for mills having recovery of 9.5 per cent or below, the FRP is fixed at ₹ 275.5 per quintal.

f) Ethanol-Pricing / Feedstocks

Government is continuing to aggressively promote Ethanol as a fuel as it is non-fossil biofuel, a big curb on vehicular pollution and also saves foreign exchange required for import of crude oil as country is net importer of crude.

Government has plans to increase Ethanol blending percentage to 20% by the Year 2025 which means annual supply of almost 10.0 billion Litres as against this year estimated supply of 4.0 billion litres.

Further due to surplus Sugar Production, Government is targeting Ethanol as alternate of Sugar which can be made from Cane like in Brazil which on one hand will provide adequate supply of Ethanol under Government ambitious bio-fuel policy on other hand will be used to regulate Sugar Production and thus take care of excess Sugar in system.

g) Summary Ethanol Price fixed by the Government:-

Unit : ₹/ Litre				
Year	C Molasses	B-heavy Molasses	Cane Juice	Grain damaged
2016-17	39.00	Not allowed	Not allowed	Not allowed
2017-18	40.85	Not allowed	Not allowed	Not allowed
2018-19	43.46	52.43	59.19	47.13

Year	Unit : ₹/ Litre			
	C Molasses	B-heavy Molasses	Cane Juice	Grain damaged
2019-20	43.75	54.27	59.48	50.36
2020-21	45.69	57.61	62.65	51.55 (Damaged grain)
				56.87 (Surplus Rice)
2021-22	46.66	59.08	63.45	52.92
				56.87 (Surplus Rice)

From above table, following can be observed:-

Government's focus is on increasing Ethanol supplies for which on one hand Ethanol price has been increased so as to make it viable for Sugar Mills in line with cost, on other hand Government allowing other raw materials usages for Ethanol supplies. During 2021-22, C Ethanol price has been increased from ₹ 45.69 per Litre to ₹ 46.66 per Litre means increase of 2.1%, B-Heavy Molasses Ethanol from ₹ 57.61 per Litre to ₹ 59.08 per Litre means increase of 2.55% and Cane juice Ethanol price from ₹ 62.65 per Litre to ₹ 63.45 per Litre means increase of 1.28%. Price increase given during 2021-22 is significantly lower than what has been allowed during 2020-21.

Taking cognizance of cost of Ethanol from different Raw materials, Government has allowed different prices of same product "ETHANOL" basis the Raw material used as above. This on one hand will boost the availability of Ethanol which is Green bio-fuel and part of Government's ambitious bio-fuel policy, on other hand usage of raw material like B-heavy Molasses and Cane Juice will help in reducing Sugar surplus.

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

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

During the Year 2018-19, as per estimates, 0.5 Million MT Sugar has been diverted towards Ethanol in the form of B-heavy Molasses / Syrup, 2019-20 this figure has reached 0.8 Million MT which during the Year 2020-21 has touched 2 Million MT which is estimated to increase to 3.4 Million MT during the year 2021-22.

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

h) Ethanol supply:

Year 2021-22 (Dec – Nov) – till April 17, 2022

Raw Material	Unit : Crore Litres		
	Total LOI Quantity	Total Contracted Quantity	Receipt Quantity
Sugarcane Juice / Sugar Syrup / Sugar	75.47	73.43	54.41
B-Heavy Molasses	260.31	253.23	80.68
C-Heavy Molasses	13.23	12.16	4.91
Damaged Foodgrains	42.56	36.94	10.6
Surplus Rice	33.6	33.74	7.69
Total	425.17	409.5	158.29

Unit : Crore Litres

Oil Company	Total LOI Quantity	Total Contracted Quantity	Receipt Quantity
Bharat Petroleum Corporation Limited	127.35	126.96	46.05
Indian Oil Corporation Limited	185.94	174.89	71.57
Hindustan Petroleum Corporation Limited	111.87	107.64	40.67
Total	425.16	409.49	158.29

The average All India Ethanol blending percentage as on April 17, 2022 : 9.77%

Year 2020-21 (Dec – Nov) – Full Year

Unit : Crore Litres

Raw Material	Total LOI Quantity	Total Contracted Quantity	Receipt Quantity
Sugarcane Juice / Sugar Syrup / Sugar	47.36	44.59	38.16
B-Heavy Molasses	209.65	201.35	178.67
C-Heavy Molasses	63.82	60.21	38.07
Damaged Foodgrains	47.61	44.47	38.46
Surplus Rice	3.55	2.99	2.19
Total	371.99	353.61	295.55

The average All India Ethanol blending percentage for Year 2020-21 : 8.1%.

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

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

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

While this year blending has been allowed at 11% level but going ahead next year, Government needs to increase blending percentage from existing level of 11% to 12-15% so as to accommodate increasing supply of Ethanol nearer to source for which understandably Government is working.

i) Soft Loans for Ethanol

During the period 2018 –2021, Central Government has notified different interest subvention schemes for Sugar Mills and Distilleries for disbursement of soft loans for Ethanol projects.

The Financial assistance has been in the form of interest subvention @ 6% per annum or 50% of rate of interest charged by banks, whichever is lower, on the loans to be extended by banks for 5 years including one year moratorium.

Under the schemes, the timeline for disbursement of loan was up to March / April 2022 which now has been extended up to September 30, 2022.

The timeline for completion of all projects is 2 years from the date of disbursement of first instalment of loan from bank. In respect of scheme during July 2018, the timeline for completion of project has been extended from 2 years to 2 and ½ years.

The above soft loan has served the purpose of:

- improving liquidity of sugar mills by way of revenue from Ethanol
- increasing Ethanol production to achieve 10% blending target of EBP
- reduce sugar inventory by usage of B-heavy / cane juice for ethanol manufacturing
- boost agricultural economy
- to save foreign exchange on account of crude import
- to reduce air pollution

Government has recently on April 22, 2022 opened one more window of 6 months for the purpose of soft loans as above for project proponents having required land and Environment clearance for Distillery.

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

Government conducting periodic meetings to review the progress of projects with sanctioned loans and also finding solutions to problems faced.

j) Ethanol distillation capacity

Ethanol distillation capacity of Molasses based distilleries was only 215 Crore Litres prior to 2014. However in past 7 years due to policy changes made by the Centre, the capacity of molasses based Distilleries have increased by one and a half times and currently at 569 Crore Litres.

Capacity of Grain based distilleries which were 206 Crore Litres in 2013 has increased to 280 Crore Litres.

Total Ethanol production capacity in country has reached 849 Crore Litres.

Total Alcohol requirement by 2025 including requirement of Ethanol for blending at 20% is estimated at 1,350 Crore Litres, for which Alcohol production capacities are required to be enhanced to about 1,700 Crore litres and above such interest subvention schemes are helping in augmentation of capacities.

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

There had been an amendment in IDR Act, 1951 as per which State Government can control, levy taxes / duties on liquor meant for human consumption only.

Denatured Alcohol, Industrial Alcohol not meant for human consumption will be controlled / legislated only by Central Government.

It means Ethanol and denatured spirit should come out of the purview of State Govt. with no power left to regulate or impose any fees / taxes / duties on Ethanol.

With active efforts of the Government, Oil Marketing companies and Industry Associations number of states scrapped / started scrapping State Excise fees on Ethanol and relaxing their control on distribution, storage of Ethanol.

Karnataka has been the first state to surrender their control on Denatured Ethanol and free it from State Excise Fees and permissions.

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

Industry is taking up the matter with various State Governments including Rajasthan prominent buyer for U.P. Distilleries to give up control on denatured Ethanol and other spirits in line with the IDR amendment / new GST rules and reasonably good progress is continuing on the subject.

III. Bajaj Hindusthan Sugar's (BHSL) Position

BHSL has 14 sugar plants having an aggregate crushing capacity of 1,36,000 TCD, 6 distilleries with aggregate capacity of 800 KL/day and about 151 MW of surplus power.

Key risks and concerns

1. Raw material

BHSL has continued its thrust on cane quality promotion and is continually investing in cane variety development. Since last 6 years, year 2014-15 (Oct – Sept), the results of continued investment in Cane development are visible in form of increased availability of better variety of cane and better Sugar recovery.

Group's average Sugar recovery during last 7 Sugar Seasons has considerably improved with results as under:-

Sugar Season (Oct – Sept)

2014-2015:	09.41%
2015-2016:	10.37%
2016-2017:	10.26%
2017-2018:	10.72%
2018-2019:	11.52%
2019-2020:	11.61%
2020-2021:	11.01%

In above table, the efforts of the Group are clearly visible towards Cane development and quality promotion and in last 7 years Sugar recovery has improved by almost 17.0% from the level of 9.41 to estimated level of 11.01% during current year.

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

From 2021-22 onwards, we have started producing Ethanol from Sugar syrup at one of the Distilleries which will increase production of Ethanol which will be sold at better price as compared to other forms of Alcohol.

BHSL sees cane development as major thrust area to improve the revenue generation and is continuously striving towards it. The major area of concern is the ability to make timely cane price payment to farmers which is affecting the availability of cane to Group.

2. Sugar price risk

While cane price is fixed by the state government, sugar realisations are totally market driven and are dependent on demand supply dynamics. This at times led to complete mismatch between the cane price and sugar realisations. To mitigate the said Sugar price risk, Government had fixed Minimum Selling Price (MSP) of Sugar earlier at level of ₹ 29.0 per Kg and now at level of ₹ 31.0 per Kg below which no Sugar Mill can sell Sugar in market.

Further, Government has implemented monthly release mechanism to regulate Sugar supply in market so that Prices remain firm. Government further taking care of excess sugar in system which might dampen prices by having policies for diversion towards Ethanol / exports out of country. Industry is pushing hard to further increase the said MSP to the level of ₹ 38-40 per Kg which Government should implement now.

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

3. Regulatory risk

Sugar industry is subject to many regulatory risks like environment, raw material pricing, government policies, etc. The biggest risk to the business is the disjointed sugarcane price fixed by the state government.

However, to ensure liquidity and financial health for Industry, both Central & State Government keeps on providing policy and subsidy support to enable Sugar Mills to pay fixed cane price as fixed by the Government.

4. De-risking strategy

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

From Sugar Year 2020-21, we have started diverting Sugar for manufacturing of Ethanol in form of B-heavy Molasses / Sugar syrup which will reduce Sugar production and help in achieving higher production of Ethanol. Sustained Ethanol supplies to Oil companies has provided some element of risk mitigation.

Table 9: Market share of BHSL in U.P. and on All India basis for Sugar basis Production:-

Particulars	Unit	Year (Oct – Sept)			
		2020-21	2019-20	2018-19	2017-18
BHSL Production	Million MT	1.53	1.94	1.83	1.82
UP Production	Million MT	11.06	12.64	11.82	12.05
All India Production	Million MT	31.19	27.41	33.16	32.48
BHSL % of UP	%	13.83	15.35	15.48	15.10
BHSL % of All India	%	4.90	7.08	5.52	5.60

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 Zone-wise details and the crushing capacity of the mills are as under:-

Table 10: Zone-wise details of crushing capacity

ZONE	NO. OF MILLS	CRUSHING CAPACITY (TCD)
WEST	5	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.

Due to consistent higher Sugar production in the state and by the Group, Sugar is sold to North East States also like West Bengal, Assam etc. where it is going by rail rakes.

Central U.P.: Sugar produced in our Barkhera and Maqsoodapur mills is sold partly in Central U.P. and also in nearby states i.e. Rajasthan, M.P., Gujarat, North East states and at times to Haryana, Odisha. The sugar produced by Gola, Palia and Khambarkhera mills is sold in Central UP, East UP, Bihar, Bengal, Jharkhand, M.P. and North East States.

East U.P.: Sugar produced by our East UP Mills is sold in the region of Eastern UP and states like Bihar, Jharkhand, West Bengal, Assam and North East States.

Competition

Other than the mills in state of UP, we have to face competition mainly from mills in the state of Maharashtra, Karnataka, Gujarat, A.P., Tamil Nadu. For movement of sugar to neighbouring states like Punjab, Haryana, Bihar, UP mills face competition from mills in these states, as well. Sugar sales market reach / penetration is purely on the basis of the price parity and Quality with competing mills.

No competition from Sugar imports:

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

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

Unit : ₹/ Qtl.

Months	April 2021 – March 2022	
	Low Price	High Price
April	3123	3548
May	3200	3554
June	3123	3500
July	3123	3340
August	3180	3685

Unit : ₹/ Qtl.

Months	April 2021 – March 2022	
	Low Price	High Price
September	3468	3795
October	3528	3818
November	3333	3785
December	3250	3611
January	3280	3587
February	3280	3565
March	3333	3600

- Refined sugar is not taken in consideration.
- Only M-31 50 Kg rate is taken.
- Rates include old and new sugar
- Sugar despatches through rake is also not considered as the sale confirmed in a month is despatches next month.

IV. Internal Control System and their Adequacy

An effective Internal Control system in an Organisation provides reasonable assurance to management and stakeholders about effectiveness of its policies, processes, tasks, behaviours etc. It also helps to ensure the quality of Internal and external reporting, compliance with applicable laws and regulations. An effective Internal Control helps in identification and analysis of various associated risks (Process, Regulatory, Market, Financial etc.) and helps the management to design and implement a suitable Action plan to avoid / overcome that risks. It includes formulation & implementation of policies & procedures, safeguarding of its Assets, prevention & timely detection of Frauds & efficient conduct of its business and preparing reliable financial information. BHSL Internal Control system is commensurate with its size of business and nature of its operations. BHSL has in place an adequate system of Internal Controls designed to ensure that all the transactions are authorised, recorded and reported correctly. The Company has also in place a well-defined Delegation of Power (DOP) and various Standard Operating Procedures (SOPs) covering different areas which further strengthen the Internal Control. BHSL has a strong and Independent Internal Audit department which reports to the Audit Committee of the Board to maintain its objectivity and independence. The reports of Internal Audit department are sent to concerned Department Heads who are responsible for taking corrective actions. Significant Audit observations and corrective action thereon are reviewed by management and subsequently placed before the Audit Committee of the Board of Directors along with the action plan recommended by respective Functional Heads. The directions of Audit Committee are implemented by the respective Head of the Departments and action taken reports are placed before the Audit Committee members in next meeting for their perusal.

V. Human Resources/Industrial Relations

The industrial relations at the Company's Sugar Mills and Head Office were cordial throughout the year. The Company is committed to create an organisation that nurtures the talent and enterprise of its people, helping them grow and find fulfilment in an open culture as per the "HR Vision (Our edge is our people, what we consciously do as management is to encourage such people who dare and provide them room - not square feet - to dream it)" and also as per our "Group Vision (Think Tomorrow)". The result, that BHSL would be number one. Its growth strategies are based on a strong Human Resource (HR) foundation created through a judicious use of innovative techniques and complementary HR processes and systems. HR policies are reviewed, revised and updated from time to time to make it relevant, more effective and useful to the employees and also to the Company. The basic objective is to facilitate the smooth execution of transparent policies. As of March 31, 2022, BHSL had 7,617 employees. The various HR initiatives carried out by the Company during the year are listed below:

Training Programmes :-

- Training & Development - During the year 2021-22, HR dept. had organised various Training

programmes through the involvement of internal training faculties. HR department had prepared advance training calendar on six monthly basis scheduling (during off season) various topics after consulting all the departments for the subject and strength of the participants. After preparing, the list of the topics, schedule and name of the participants, it is communicated to everyone concerned by the HR department. On an average 28–30 persons attended such training programme session. The major topics covered by our internal training faculty were on Irrigation and Pest Control techniques, Cane Centre Mgmt, Cane sowing, Safety, Awareness on Health & Occupational Diseases, Covid, House-keeping, Fire-fighting, Environment, Health & Occupational Hazards, Energy Conservation, GST, Computer Awareness, Statutory Compliances, etc.

- Induction Programmes for New Employees - Induction programmes are regularly conducted at unit level as well as in offices by HR department for all the new employees. This is an interactive programme supplemented by power-point presentation about the Company.
- Activities and Events - As a part of Employees Engagement Programmes, celebrated religious, cultural, national integration programmes, e.g. Annual function of Holi Milan, Shivalya Temple, Janmashtami, Dussehra, Diwali, Teej, Lohri festival & New Year celebrations, Republic Day, Independence Day, Vishwakarma Day, Environment Day, Safety Week (March 4 to 10), Jamnalal Jayanti (Nov. 4), Labour Day (May 1), various type of children's events like Drawing Competition, Annual Picnic & Excursion Tours etc.

Corporate Social Responsibility

- 1. Bajaj Public School (BPS) – (affiliated to CBSE):** In furtherance of the guiding philosophy of the Corporate Social Responsibility (CSR), the group visualised the dire need to impart high standard education at low cost to the wards of the inhabitants. The Bajaj Public School is a non-profit making organisation, is an outcome to fulfil the said need. It was incorporated during 2009 and extended its branches in Maqsoodapur, Gola, Palia, Barkhera, Kinauni, Gangnauli, Bilai, Utraula and Lalitpur.

BPS has so far taken responsibility to nurture positively the delicate and tender minds of approx. 1,600 students. School is running as a creative centre for learning and development. It has provided employment to more than 140 people, including spouses of the employees. BPS solely aims to continuously connect, grow, serve and reach the new horizons.

2. Other activities

- a) General Medical Checkup, Eye Check-up, Dental Check-up, distribution of masks, sanitisation in Factory Campus and also in neighbouring villages, etc.
- b) Woollen clothes & Blanket distribution among under-privileged class of surrounding areas.
- c) Kanwar Seva Shivar on Mahashivratri Parv.
- d) Distributing Organic Manure on subsidised rates to the farmers.
- e) In winters, lighting Alao at every Chauraha by distributing bagasses.
- f) Fogging and Spray for mosquito and prevention of COVID in nearby villages.
- g) Health check-up camp by local hospital were held at offices & units, wherein a team comprising specialised Doctors i.e. Medicines & Eye, conducted medical check-up of employees and their families got themselves checked and were benefited from this health camp. Among the other beneficiaries, there were various outsiders, farmers also.

VI. Financial Analysis of Operations of the Company

The financial results for the year under review from April 01, 2021 to March 31, 2022

Table 12 : Operational data

	Unit	Year ended March 31, 2022	Year ended March 31, 2021
Cane Crushing	MMT	12,589	15,603
Sugar Recovery	%	10.36	11.06
Sugar Production – From Cane	MT	12,85,927	17,25,981

	Unit	Year ended March 31, 2022	Year ended March 31, 2021
Industrial Alcohol Production	KL	1,73,261	90,903
Molasses Production – C	MT	2,10,038	5,32,403
Molasses Production – B-Heavy	MT	4,77,183	2,51,560
Power Generation	000 Units	6,43,961	7,51,431

During the year, the production of sugar from sugarcane was at 12,85,927 MT as compared to 17,25,981 MT during the previous year. The production of molasses-C was at 2,10,038 MT and molasses B-heavy was at 4,77,183 MT as compared to 5,32,403 MT molasses-C and 2,51,560 MT molasses B-heavy in the previous year. The industrial alcohol / ethanol production was at 1,73,261 KL as compared to 90,903 KL in the previous year. Power generation was at 643.96 Million Units (MUs) as compared to 751.43 MUs in the previous year. Average recovery of sugar from sugarcane 10.36% during the current year as compared to 11.06% in the previous year.

Results of operations

Table 13: Summarised financial results

₹ Crore

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Revenue	5,590.22	6,688.20
Earnings before interest depreciation and tax (EBIDTA)	245.82	195.57
Finance Costs (Net)	253.55	263.09
Cash profits	(7.73)	(67.52)
Depreciation & amortisation	214.63	215.16
Profit/(Loss) before tax	(222.36)	(282.68)
Tax expenses	(4.11)	(3.08)
Profit/(Loss) after tax	(218.25)	(279.60)
Basic and Diluted earnings per share (₹)	(1.82)	(2.54)

Turnover

During the year ended March 31, 2022, the Company's total revenue was ₹ 5,590.22 crore as against ₹ 6,688.20 crore in the previous year.

Analysis of sales

During the year, the Company sold 13,05,254 MT of sugar as against 18,52,660 MT during the previous year. The Company sold 1,19,034 MT of molasses as against 4,23,397 MT in the previous year. However, alcohol/ethanol sales during the year was at 1,75,480 KL as against 84,262 KL during the previous year.

The Company exported 145.97 MUs of power during the year as against 186.66 MUs during the previous year. Product-wise sales quantity, value and per unit realisation details are given in Table 14:

Table 14: Sales revenue

Particulars	Year ended March 31, 2022				Year ended March 31, 2021		
	Unit	Qty	Value ₹ Crore	Realisation* ₹ /MT/KL/ 000 Units	Qty	Value ₹ Crore	Realisation* ₹ /MT/KL/ 000 Units
Sugar	MT	13,05,254	4,453.62	34,121	18,52,660	5,930.57	32,011
Alcohol/ Ethanol	KL	1,75,480	932.05	53,114	84,262	397.00	47,115
Molasses	MT	1,19,034	37.05	3,113	4,23,397	156.90	3,706
Power	000 Units	1,45,967	46.12	3,160	1,86,664	58.54	3,136

Industrial alcohol was sold in the local market directly to end users, mainly alcohol-based chemical plants. Ethanol was sold to oil companies, who use it for blending with gasoline.

The other operating revenue includes lease rent of ₹ 11.02 crore, sale of pesticides of ₹ 45.82 crore, sale of scrap of ₹ 13.76 crore, sale of export licenses of ₹ 8.58 crore and other miscellaneous operating income of ₹ 3.99 crore.

Other income

Other income for the current year was ₹ 21.13 crore (including interest income of ₹ 0.74 crore, and other miscellaneous income was at ₹ 20.39 crore) as against ₹ 16.53 crore (including interest income of ₹ 0.89 crore, and other miscellaneous income of ₹ 15.64 crore).

Other expenses

During the year, other expenses were ₹ 601.83 crore as against ₹ 674.01 crore in the previous year.

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

The EBIDTA for the current year at ₹ 245.82 crore as against ₹ 195.57 crore in the previous year.

Finance costs

Finance cost for the current year was ₹ 253.55 crore as against ₹ 263.09 crore in the previous year, due to repayments of loans and drop in interest rate.

Depreciation and amortisation

The depreciation for the current year was at ₹ 214.63 crore as against ₹ 215.16 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, 2022 is given in Table 15.

Table 15 : Summarised balance sheet

As at	March 31, 2022	March 31, 2021
ASSETS		
Non-current assets		
Fixed assets		
Property, plant and equipment	6,799.28	6,985.26
Right of use assets	4.21	6.78
Capital work-in-progress	4.29	25.17
Intangible assets	0.00	0.00
Non-current investments	92.34	140.24
Other non-current financial assets	13.39	12.86
Other non-current assets	137.98	133.56
Sub total	7,051.49	7,303.87
Current assets		
Inventories	2,745.56	2,541.34
Financial assets		
Current Investments	770.13	770.13
Trade receivables	213.87	218.73
Cash and cash equivalents	47.33	63.00

₹ Crore

₹ Crore

As at	March 31, 2022	March 31, 2021
Other bank balances	0.00	0.00
Loans	2,088.79	2,091.29
Current tax assets (net)	7.92	5.38
Other current assets	685.16	685.33
Sub total	6,558.76	6,375.20
Total assets	13,610.25	13,679.07
EQUITY AND LIABILITIES		
Shareholders' Fund		
Equity	124.45	110.07
Other equity	2,752.94	2,830.84
Sub total	2,877.39	2,940.91
Non-current liabilities		
Financial liabilities		
Borrowings	4,243.82	4,802.32
Lease liabilities	2.46	4.84
Provisions	89.50	76.58
Deferred tax liabilities (net)	505.63	590.94
Other non-current liabilities	22.00	35.84
Sub total	4,863.41	5,510.52
Current liabilities		
Financial liabilities		
Borrowings	543.01	579.09
Lease liabilities	2.38	2.43
Trade payables	4,092.25	4,459.92
Other financial liabilities	79.29	15.24
Other current liabilities	1,131.74	154.77
Short-term provisions	20.78	16.19
Sub total	5,869.45	5,227.64
Total equity and liabilities	13,610.25	13,679.07

Share capital

Pursuant to the approval of the shareholders of the Company at the extra ordinary general meeting held on July 15, 2021, the board of directors at its meeting held on July 20, 2021, has allotted, 14,38,00,000 equity shares at a price of ₹ 13.28 per share (including premium of ₹ 12.28 per share) to promoters / promoter group entity.

Other equity

Other equity has decreased to ₹ 2,752.94 crore as at March 31, 2022 from ₹ 2,830.84 crore as at March 31, 2021 mainly due to loss for the year ₹ (218.25) crore, change of other comprehensive income by ₹ 28.25 crore, utilisation of fund for maintenance of molasses tank by ₹ (1.93) crore, change in security premium ₹ 176.59 crore and change in equity component of compound financial instruments ₹ (62.56) crore.

Non-current borrowings

Long-term borrowings was at ₹ 4,243.82 crore as at March 31, 2022 as against ₹ 4,802.32 crore in the previous year ended March 31, 2021.

Current borrowings

Current maturity of Long-term borrowings was at ₹ 543.01 crore as at March 31, 2022 as against ₹ 579.09 crore in the previous year ended March 31, 2021.

Property, plant and equipment

Gross Block has increased to ₹ 10,675.19 crore from ₹ 10,653.99 crore, on account of routine capitalisation/decapitalisation during the year. The net block stood at ₹ 6,803.49 crore as against ₹ 6,992.04 crore.

Investments

Investment was at ₹ 92.34 crore as at March 31, 2022 as against ₹ 140.24 crore in the previous year ended March 31, 2021. The changes are mainly due to provision for diminution of value of investment of Phenil Sugar Limited.

Inventories

The inventory of sugar at the end of the current year was 6,42,621.00 MT equivalent to 160 days' sales as compared to 165 days' sales in the previous year. Alcohol inventory at the end of the current year was 7,873 KL equivalent to 25 days' sales as compared to 34 days' sales in the previous year.

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

Debtors

The debtors at the end of the current year were equivalent to 12 days' of sales as compared to 12 days' of sales in the previous year ended March 31, 2021. All the debtors are good and realisable.

Significant non-recurring income, expenditure and other items

Income

Provision no longer required/credit balance appropriated ₹ 4.00 crore and miscellaneous receipts ₹ 16.39 crore were of a non-recurring nature.

Expenditure

The loss on assets sold/discarded ₹ 0.97 crore is of a non-recurring nature.

Contingent liabilities

The status of contingent liabilities as at March 31, 2022 has been reviewed by the management. Efforts are being made for speedy settlement of pending cases.

Ratios

Comparative analysis of Important Ratios with variance is tabulated below:

Table 16 : Ratio Analysis

Description	Ratio (Current Year)	Ratio (Previous Year)	Variance (%)	Reasons for significant variance
Debtors Turnover Ratio	25.36	33.45	-24.18%	n/a
Inventory Turnover Ratio	2.17	2.60	-16.58%	n/a
Interest Coverage Ratio	1.31	1.07	22.40%	n/a
Current Ratio	1.12	1.22	-8.37%	n/a
Debt Equity Ratio	1.66	1.83	-9.09%	n/a
Operating Profit Margin Ratio	0.56%	-0.29%	-290.49%	This year EBIT was positive
Net Profit Margin Ratio	-4.05%	-4.31%	-6.01%	n/a
Return on Net Worth	-7.50%	-9.03%	-16.89%	n/a

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

Control measures for cane procurement

Besides smooth functioning of plants, timely and regular procurement of sugarcane is the most important activity of the Company. Continuous efforts are being made to ensure systematic indenting, procurement and crushing of sugarcane. Though the current systems are adequate, as a matter of routine, these systems are periodically reviewed by the senior management team from time to time and corrective measures, if and when considered necessary, are taken to ensure the smooth flow of sugarcane.

Unit-wise operations

Sugar division

Crushing details of plants during the year ended March 31, 2022 are given in Table 17:

Table 17: Cane crushing, sugar recovery and sugar production

Plant Location	Zone	2021-22			2020-21		
		Cane Crushing (MMT)	Sugar Recovery (%)	Sugar Production (Tonnes)	Cane Crushing (MMT)	Sugar Recovery (%)	Sugar Production (Tonnes)
Gola Gokarannath	Central UP	1.374	9.22	1,26,759	1.943	10.90	2,11,852
Palia Kalan	Central UP	0.950	9.24	87,767	1.432	11.03	1,57,970
Khambarkhera	Central UP	0.865	9.61	83,164	1.278	10.18	1,30,157
Barkhera	Central UP	0.882	10.03	88,499	1.060	11.76	1,24,563
Maqsoodapur	Central UP	0.583	10.19	59,344	0.731	11.37	83,123
Kinauni	Western UP	1.791	11.46	2,05,321	1.875	11.80	2,21,190
Thanabhawan	Western UP	1.294	10.08	1,30,434	1.558	10.80	1,68,199
Budhana	Western UP	1.339	11.59	1,55,210	1.490	11.65	1,73,679
Bilai	Western UP	1.317	12.17	1,60,400	1.514	12.33	1,86,662
Gangnauli	Western UP	0.930	9.78	90,956	1.104	10.35	1,14,267
Pratappur	Eastern UP	0.113	7.62	8,606	0.147	9.68	14,267
Rudhauri	Eastern UP	0.181	-	-	0.199	7.35	14,624
Utraula	Eastern UP	0.320	9.18	29,349	0.441	8.93	39,357
Kundarkhi	Eastern UP	0.650	9.26	60,118	0.831	10.36	86,071
Total		12.589	10.36	12,85,927	15.603	11.06	17,25,981

A Note on sacrifice of Sugar for B-Heavy Molasses

Out of total cane crushing of 12.59 MMT, the Company crushed 7.58 MMT cane from B-heavy molasses route which amounts to 60.20% of the total cane crushed. Diversion of sugarcane for B-heavy molasses route resulted in reduction of sugar recovery by 1.65%, and approximate sugar loss of 1.24 lakh MT. This has resulted in increased production of ethanol.

Distillery division

The distillery division produced 1,73,261 KL (includes 1,01,439 KL of Ethanol produced from B-heavy molasses) of industrial alcohol/ethanol during the current year against 90,903 KL (includes 29,335 KL of Ethanol produced from B-heavy molasses) in the previous year. Likewise alcohol/ethanol sales aggregated during the current year at 1,75,480 KL (includes sales of 1,02,311 KL of ethanol produced from B-heavy molasses) against 84,262 KL (includes sales of 24,970 KL of ethanol produced from B-heavy molasses) in the previous year. In value terms, the sale of industrial alcohol/ethanol during the year is ₹ 932.05 crore (includes sales of ₹ 595.77 crore of ethanol produced from B-heavy molasses) as against ₹ 397.00 crore (includes sales of ₹ 143.81 crore of ethanol produced from B-heavy molasses) in the previous year.

Power division

The sale of power was recorded at ₹ 46.12 crore in the current year as against ₹ 58.54 crore in the previous year. The Company continued optimal use of co-gen capacities with better planning.

Board division

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

Accounting policies

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for:

- (i) Certain financial assets and liabilities measured at fair value,
- (ii) Defined benefit plans - plan assets measured at fair value.

With effect from April 01, 2017, the financial statements of the Company have been prepared to comply with the Indian Accounting Standards ('Ind AS') notified under Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

Cautionary/futuristic statements

Statements in the management discussion and analysis report describing the Company's objectives, projections, estimates and expectations may be "forward-looking statements" within the meaning of applicable laws and regulations and futuristic in nature. Actual performance may differ materially from those either expressed or implied. Such statements represent intentions of the management and the efforts put into realising certain goals. The success in realising these depends on various factors both internal and external. Investors, therefore, are requested to make their own independent judgements before taking any investment decisions.

Business Responsibility Report for the year 2021-22

In terms of Regulation 34 of the Listing Regulations

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

- 1. Corporate Identity Number (CIN) of the Company:** L15420UP1931PLC065243
- 2. Name of the Company:** Bajaj Hindusthan Sugar Limited
- 3. Registered address:** Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh - 262 802
- 4. Website:** www.bajajhindusthan.com
- 5. E-mail id:** investor.complaints@bajajhindusthan.com
- 6. Financial Year reported:** April 01, 2021 to March 31, 2022
- 7. Sector(s) that the Company is engaged in (industrial activity code-wise):**

Name and Description of main products / services	NIC Code of the product/service
Sugar	1702
Industrial Alcohol	1101
Power (bagasse-based)	3510

- 8. List three key products/services that the Company manufactures/provides (as in balance sheet):**

1. Sugar
2. Industrial Alcohol
3. Power bagasse-based

- 9. Total number of locations where business activity is undertaken by the Company:**

- (a) Number of International Locations (provide details of major 5) : NIL
- (b) Number of National Locations: 17 (Seventeen). Company has its Registered Office at Golagokarannath, Uttar Pradesh, Corporate Offices at Mumbai, Maharashtra, Noida and Lucknow, Uttar Pradesh and it has fourteen manufacturing units all located in the state of Uttar Pradesh.

- 10. Markets served by the Company:**

Local	State	National	International
Yes	Yes	Yes	Yes

SECTION B: FINANCIAL DETAILS OF THE COMPANY

- 1. Paid-up Capital (INR):** ₹ 1,27,73,59,942 (Rupees One Hundred Twenty Seven Crore Seventy Three Lakhs Fifty Nine Thousand Nine Hundred Forty Two only) comprising 1,27,73,59,942 equity shares of ₹ 1/- each.
- 2. Total Turnover (INR):** ₹ 5,590.22 crore
- 3. Total profit/(loss) after taxes (INR):** ₹ (218.25) crore
- 4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** NIL (Since the average net profit for last 3 years is negative)
- 5. List of activities in which expenditure in 4 above has been incurred:** Not applicable

SECTION C: OTHER DETAILS

- 1. Does the Company have any Subsidiary Company/Companies :**

Yes, the Company has 5 subsidiaries including 2 step down subsidiaries as on March 31, 2022.

2a. If answers to Sr. No.1 against any principle is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

3. Governance related to BR:

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The Managing Director assesses the BR performance of the Company at least annually.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company publishes the Business Responsibility Report on annual basis as a part of Annual Report. The Report is available on the website of the Company at <http://www.bajajhindusthan.com>

SECTION E: PRINCIPLE-WISE PERFORMANCE**Principle 1: Ethics, Transparency and Accountability**

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Company believes that Ethics, Transparency and Accountability are the three basic pillars of the business of the Company and the said belief are reflected in 'Code of Conduct for Directors and Senior Management', 'Code of Fair Disclosure' and 'Vigil Mechanism Policy' adopted by the Company. These Codes and Polices are applicable to Directors and Employees of the Company, the underlying principles are communicated to vendors, suppliers, distributors and other key business associates of the Company, which they are expected to adhere to while dealing with the Company.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During the Financial year under review, the Company has received 5 complaints from its shareholders and all 5 complaints have been resolved satisfactorily. More details are available under the head "Details of shareholders complaints" in Corporate Governance Section.

Principle 2: Product Life Cycle Sustainability

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities:

The Company understands its obligations on social and environmental concerns, risks and opportunities. Accordingly, the Company has devised the manufacturing process of its products (Sugar, Industrial alcohol and Bagasse-based power) in a manner taking care of its obligations.

The Company has deployed best-in-class technology and process to manufacture its product and taken various steps for conservation of energy and also taken various efforts in Research and Energy, details of which are given in Annexure VIII of the Board's Report.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

(a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

Reduction in Electricity consumed to produce per qtl. of sugar. Reduction in Electricity consumed per tonne of cane crushed. Reduction in Borewell water consumed per tonne of cane crushed.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The details of reduction during usage by consumers (energy, water) achieved since the previous year are not available with the Company.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

During crushing season, the Cane Indent has been given to the cane societies keeping in mind the per day cane availability, according to this transport and labour arrangement has been made for the day-to-day cane lifting of centres and also to avoid the stale cane. This system also helps us in the transport and labour cost saving.

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Every year, Bajaj Hindusthan Sugar Ltd. conducts a survey of its command area to bring on record the cane cultivated area of the farmers. This also takes care of the different varieties of sugarcane that are grown by farmers.

Post this massive exercise, every farmer within the command area of the mill is provided with a calendar, which tells him when he can expect a Mill Supply Ticket (Purchy) against which he will supply the cane.

The calendar is distributed over 180 days. Based on the maturity and recovery expected from the varieties, the distribution takes place in the calendar.

After receiving the purchy, the farmer harvests the cane and transports it either in a bullock cart or tractor trolley to the mill gate. Farmers who stay in far-flung areas supply cane at the mill's centres. This cane is then transported in trucks or through rail to the mill.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Yes, the Company have a mechanism to recycle by-products (4.5 – 5% of Sugarcane crushed) and other residual output. Percentage of recycling of products and brief details thereof are given below:

Molasses (>10%) : Molasses is the only by-product obtained in the preparation of sugar. Molasses is mainly used for the manufacture of alcohol, yeast and cattle feed. Alcohol in turn is used to produce ethanol, rectified spirit, potable liquor and downstream value-added chemicals such as acetone, acetic acid, butanol acetic anhydride, etc. Our maximum quality of absolute alcohol is being utilised as green fuel i.e. 10% blending with the Petrol. Besides, it is being important roles in livestock feeding, due to nutrient, appetising and physical properties of its sugar content.

Bagasse (>10%) : Bagasse is a fibrous residue of cane stalk that is obtained after crushing and extraction of juice (30% of sugar cane). Bagasse is usually used as a biofuel in furnaces to produce steam, which in turn is used to generate power. It is also used as a raw material for production of paper and as feedstock for cattle.

Fly ash (>10%) : Fly ash is the residual output from the boiler furnace after bagasse has completely burnt out. This fly ash is used as a substitute for firewood. It is rich in potassium and is also used by local farmers as manure for improving soil health and also filling and reclamation of low lying area.

Press mud (>10%) : Press mud also known as Oliver cake or press cake, is the residual output after the filtration of the juice (approx. 4% of Sugar cane). It is mixed with distillery spent wash to produce high quality bio-manure, which is used to improve soil chemical, physical and biological properties, enhance the crop quality and yield and maintain the C & N ratio of soil. (EHS)

Principle 3: Employee Wellbeing

1. Please indicate the total number of employees: 7,617
2. Please indicate the total number of employees hired on temporary/contractual/casual basis: 3,521
3. Please indicate the number of permanent women employees: 4
4. Please indicate the number of permanent employees with disabilities: Nil
5. Do you have an employee association that is recognised by management: No
6. What percentages of your permanent employees are members of this recognised employee association? : Not applicable
7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year:

Sr. No.	Category No.	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under-mentioned employees were given safety and skill upgradation training in the last year?
 - (a) Permanent Employees: 42%
 - (b) Permanent Women Employees: 0%
 - (c) Casual/Temporary/Contractual Employees: 11%
 - (d) Employees with Disabilities: Nil

Principle 4: Stakeholders' engagement**1. Has the Company mapped its internal and external stakeholders?**

Yes

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalised stakeholders:

Yes

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholder. If so, provide details thereof, in about 50 words or so:

No

Principle 5: Human Rights**1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

The Company does not have any policy on Human Rights for the time being. However, any issues are covered by the national and the local laws.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No stakeholders' complaints on human rights was received during the last financial year.

Principle 6: Environment**1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?**

The Policy not only covers the Company but also cover the stakeholders and contractors.

2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

Our Sugar and distillery business is based on renewable energy source and also contributing significantly in green fuel (Ethanol).

3. Does the Company identify and assess potential environmental risks? Y/N.

Yes

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

Currently, no CDM project is in process. Previously, VCS and CDM projects were registered for Kinauni and Thanabhawan Units, respectively.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Our 11 projects were registered for Renewable Energy Certificate (REC) scheme of Central Electricity Regulatory Commission to promote co-generation and generation from renewable source of energy.

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

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes

7. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

I. Central Pollution Control Board (CPCB) Show cause Notice: One Show cause notice in respect of Gangnauli Sugar unit is not resolved to satisfaction as on the end of financial year.

II. Uttar Pradesh Pollution Control Board (UPPCB/SPCB) Show Cause Notice: One Show cause notice in respect of Pratappur Sugar Unit is not resolved to satisfaction as on the end of financial year.

III. Pending Legal Notices/Cases

a. Two Environmental Compensation of ₹ 1.36 crore and ₹ 1.96 crore imposed by CPCB on Barkhera Sugar and Gola distillery of the Company are pending with Hon'ble Supreme Court.

b. Four cases in respect of complaints filed by UPPCB in compliance of NGT order pertaining to Rudauli distillery, Budhana, Kinauni and Gangnauli sugar units of the Company are pending with Pollution Control court Lucknow.

Principle 7: Public and Regulatory Policy**1. Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with:**

(a) The Sugar Technologists Association of India.

(b) All India Distillers Association, Delhi.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No. If yes, specify the broad areas (Drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)

No

Principle 8 : Inclusive Growth**1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

Bajaj Hindusthan focusses on responsible business practices with community-centric interventions. The thrust areas for Bajaj Hindusthan are sustainable livelihood – especially Rural Development, Welfare Activities, Skill Development and Employability Training, Education and Health Care, all of which constitute the Rural Development and Human Development Index – a quality of life indicator.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organisation?

The projects/programmes are implemented by in-house team of the Company.

3. Have you done any impact assessment of your initiative?

No

4. What is your Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken.

Bajaj Hindusthan's direct contribution to community development is ₹ 6.87 lakh. This amount was spent under the broad categories of -

(a) Rural Development activities:

- To motivate the growers for cane cultivation with inter crop as mustard, potato and vegetables, to increase the net profit in per unit area;
- Cultivation of mung, urad etc. as inter crop with spring planting sugar cane and ratoon crop;
- Biological control of insects and pests;
- Water conservation;
- We publish literature/pamphlets etc. for distribution among the cane growers for awareness and to adopt new agricultural practices for taking high yield;
- As per requirement, village roads are repaired by us with contribution of cane development council;
- Agricultural inputs like fertilisers, pesticides, implements etc. are provided by us to the cane growers on subsidised rates;
- Eye camps are organised for the welfare of farmers and their families;
- Farmers tours to Sugarcane Research Stations are also arranged by us from time to time with the contribution of Cane Development Council;
- Ash trials are extended to more cane fields and the results are encouraging.

(b) Welfare and training and other activities:

- In-house training programmes on various topics for employees of Engineering, Production, Cane, E.H.S. & Distillery Division;
- English Medium School namely Bajaj Public School and started UKG and 1st Standard;
- Cultural programme and religious activities;
- Developed and maintain green belt in factory premises and colony area for obtaining eco-friendly environment of township;
- Development of children parks;
- Displaying of safety signages in factory premises along with First Aid boxes wherever necessary.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Yes, focussing rural development and capacity building, rural interaction programmes like Kisan Gosthi/seminars were organised which also helps interaction with cane growers and provide a platform to farmers to learn new technologies of cane cultivation vis-à-vis yield improvements in coordination with the concerned scientists of KVK cane sugar research, institute etc. various religious functions like Hariyali Teej, Janmashtami, Durga Pooja, Ram Navami, Lord Vishwakarma Pooja, Deepawali and Holi festivals were celebrated at our unit with the mass participation of workers/officers and their families. Children are participating in various Events and Cultural activities too.

Principle 9: Consumer Value

1. What percentage of customer complaints/consumer cases are pending as at the end of financial year?

No customer complaints/consumer cases are pending as at the end of the financial year 2021-22.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)?

Company complies with the applicable statutory requirements as to product labels.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

Details	No. of cases filed in the last five years	No. of cases pending as on end of financial year 2021-22	Remarks
Alleged Unfair Trade Practice	Nil	Nil	-
Alleged Irresponsible Advertising	Nil	Nil	-
Alleged Anti Competitive Behaviour	1	1	A case was filed in the year 2013 against various Sugar Companies including Bajaj Hindusthan Sugar Limited for alleged contravention of the provisions of the Competition Act, 2002 in respect of the joint tender floated by Oil marketing companies for supply of ethanol. The Competition Commission of India (CCI) imposed a penalty of ₹ 12.35 crore which subsequently had been stayed by National Company Law Appellate Tribunal (NCLAT) after payment of 10% of penalty amount. The matter is currently subjudice in NCLAT.

4. Did your Company carry out any consumer survey/consumer satisfaction trends?

During the year, consumer survey/consumer satisfaction trends were carried out by the Company.

CEO / CFO CERTIFICATION

The Board of Directors
Bajaj Hindusthan Sugar Limited
Mumbai

Re: Financial Statements for the financial year ended March 31, 2022 – Certification by CEO and CFO

We, Ajay Kumar Sharma, Managing Director and Sunil Kumar Ojha, 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, 2022 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, 2022, which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls and we have evaluated the effectiveness of the internal control systems of the Company. We have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies.
5. We have indicated to the Auditors and the Audit Committee:
 - (a) there have been no significant changes in internal control over financial reporting during the year;
 - (b) there have been no significant changes in accounting policies made during the year; and that the same have been disclosed in the notes to the financial statements; and
 - (c) there have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems over financial reporting.

Sd/-

Ajay Kumar Sharma
Managing Director
(DIN: 09607745)

Sd/-

Sunil Kumar Ojha
Chief Financial Officer

Place : Mumbai
Dated : May 20, 2022

Independent Auditors' Report

To the Members of
Bajaj Hindusthan Sugar Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the standalone financial statements of Bajaj Hindusthan Sugar Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2022, and the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (Collectively referred to as 'standalone financial statements').

In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2022, and its loss (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw attention to Note No. 39(l)(d) to the standalone financial statements, regarding the non-provision of contractual obligation related to premium payable on Optionally Convertible Debentures (OCDs) at the time of redemption of OCDs issued to lenders pursuant to the Scheme for Sustainable Structuring of Stressed Assets (S4A Scheme) which stipulates that the yield to maturity (YTM) being the difference between weighted average interest and coupon rate payable as redemption premium at the time of redemption of OCDs redeemable in 13 equal instalments commencing from the Financial year 2024-25. The Company considers such YTM/redemption premium as contingent liability and has not provided for the same in the books of account for the year ended March 31, 2022 amounting to ₹ 394.00 crore. The aggregate liability for such YTM from the date of allotment of OCDs till year ended March 31, 2022 is ₹ 1784.12 crore. Had such interest been provided, the reported net loss for the year ended March 2022 would have been ₹ 612.25 crore and Net worth of the Company would have been ₹ 1,093.27 crore.

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

Material Uncertainty related to Going Concern

As stated in Note No. 54 of the standalone financial statements, the Company during the last few years had incurred losses due to high raw material and other inputs costs, relatively lower realisation of sugar, higher depreciation and finance expenses. Sugar prices have been relatively lower over the years due to higher production of sugar in the country. All these factors resulted into reduction of net worth of the Company. As at March 31, 2022, the Company has sugar cane dues payable to farmers, outstanding loan instalment for March 2022, unpaid coupon rate interest liabilities towards optionally convertible debentures. The above factors indicate a material uncertainty, which may cast significant doubt about the Company's ability to continue as a going concern.

The Company is continuously striving to improve its operational efficiency and other parameters by way of improvement in sugar recovery, increase in production of alcohol/ethanol by using B-heavy molasses, reduction of overheads, finance, other costs and monetisation of certain non-core assets etc. The debt restructuring as per RBI's S4A Scheme, has somewhat improved the liquidity position of the Company. The Company is further discussing with the lenders a debt resolution plan to have a lasting solution to

improve its liquidity. The Company is also exploring/evaluating various options for corporate restructuring to streamline the corporate structure and enhance the Company's value.

The Government has also taken various measures to improve the financial health of sugar industry. All these measures are expected to turnaround the operations of sugar industry on sustainable basis. The Company also expects to receive accrued benefits under the Sugar Industries Promotion Policy 2004 for which it is entitled to.

In view of the above, the management expects to generate positive cash flow from operation and accordingly, the standalone financial statements are continued to be presented on going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business.

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

Emphasis of Matter

As stated in Note No. 48 to the standalone financial statements, the Company has exposure aggregating to ₹ 1,739.39 crore, in its three wholly-owned subsidiaries and ₹ 503.18 crore in other company, aggregating to ₹ 2,242.47 crore, by way of investments, loans, accumulated interest on these loans, and receivables. Management is of the view that sufficient efforts are being undertaken to revive the said subsidiaries in the foreseeable future so as to recover carrying value of the investments, loans, receivables, and the diminution/provisions, if any exists, is only of temporary nature. Further management believes that the investments made, loans given and receivable due from other company is also considered good and recoverable / realisable based on the future business plan of this company, and on-going efforts towards obligation casted on the Company and its promoters to recover the outstanding loans in phased manner and accordingly no provision, other than those already accounted for, has been considered necessary. Further on the basis of principle of conservatism and prudence, the Company has not recognised interest income for the year ended on March 31, 2022, of ₹ 145.61 crore, on inter corporate loans, as and when it is recoverable it will be recognised in the books.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be key audit matters to be communicated in our report.

The Key Audit Matter	How the matter was addressed in our audit
Impairment assessment for Investments, loans and interest on loan and receivables	
<p>The Company has exposure aggregating to ₹ 1,739.29 crore, in its three wholly-owned subsidiaries and ₹ 503.18 crore in other company, aggregating to ₹ 2,242.47 crore, by way of investments, loans, accumulated interest on these loans and receivables. Such investments / loans / receivables individually assessed for impairment as per Ind AS 36 - Impairment of Assets.</p>	<p>We focussed on this area due to magnitude of the carrying value of investments, loans, accumulated interest on loan and receivables related to subsidiary companies and other company, which comprise 16.48% of the total assets as at March 31, 2022 and are subject to annual impairment assessment.</p> <p>Our audit procedures, in respect of testing impairment assessment in case of investments, loans given, interest accrued on loans and receivables included the following:</p> <ul style="list-style-type: none"> - Obtained understanding of the process, evaluated the effectiveness of controls in respect of impairment assessment of investments and loans. - Held discussions with management regarding appropriate implementation of policy on impairment. - Evaluated the future business plan and available valuation report. - Confirmations for above exposure. - Validated the S4A Restructuring Scheme clause related to obligation on the Company to recover the loan amount. - We evaluated the impairment assessment performed by management taking into account the requirements of Ind AS 36 Impairment of Assets

Other Information

The Company's management and Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

As part of an audit in accordance with Standards on Auditing ('SAs'), we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and except for the matter described in Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. Except for the possible effects of the matter described in the Basis of Qualified opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, except for the matter described in Basis for Qualified Opinion section, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules 2016 (as amended).
 - e. The matters described in 'Basis for Qualified Opinion' paragraph and the Going concern matter described under Material Uncertainty related to Going Concern paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
 - f. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - g. The reservation relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified opinion paragraph.
 - h. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

- i. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:
In our opinion and according to the information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by provisions of section 197 read with Schedule V to the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.
- j. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 39 to the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of their knowledge and belief, other than as disclosed in the notes to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of their knowledge and belief, other than as disclosed in the notes to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on our audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
 - v. The Company has not declared or paid dividend during the year hence reporting of compliances of section 123 is not applicable.

For **Sidharth N Jain & Company**
Chartered Accountants
Firm registration number: 018311C

Sd/-
Sidharth Jain
Proprietor
Membership No.: 134684
UDIN: 22134684AJHNWX5835

Place: Lucknow
Date: May 20, 2022

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

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) In respect of Company's property, plant and equipment and intangible assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) As explained to us, the property, plant and equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - (c) According to the information and explanations given to us, the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) of the Company have been mortgaged with the lenders and the original title deeds are deposited with the lender's trustee. Based on the confirmation given by the trustee and verification of the copies of the title deeds / lease deeds in respect of immovable properties of free hold land, buildings and immovable properties of land that have been taken on lease and disclosed as property, plant and equipment 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.
 - (d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year hence reporting of clause 3(i)(d) of the Order is not applicable to the Company.
 - (e) To the best of our knowledge and according to the information and explanations given to us, no proceeding have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, hence reporting of clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The Inventories of finished goods, stores, spare part and raw materials have been physically verified by the management. In our opinion the frequency of verification is reasonable and coverage and procedure of such verification by the management is appropriate. On the basis of our examination of the records of inventory, we are of the opinion that the discrepancies noticed on verification between the physical stocks and book records were not material and not exceeding 10% in aggregate for each class of inventory and have been properly dealt with in the books of accounts.
- (b) According to records of the Company, the quarterly stock and book debt statements filed by the Company with the lender banks are in agreement with the books of accounts of the Company, except for some differences which are duly explained in standalone financial statements. The Company has working capital limits sanctioned from the banks however not utilised the same during the year due to insufficient drawing power.
- (iii) (a) According to the information and explanations given to us and as per the Company's records, the Company has granted loans to a subsidiary company and other company, during the year, in respect of which:
 - (A) In respect subsidiaries, an aggregate amount of loan of ₹ 66.32 crore has been given during the year and total outstanding as at the balance sheet date is ₹ 1,698.96 crore in respect of loans (including interest).
 - (B) In respect of parties other than subsidiary and associate companies, an aggregate amount of loan of ₹ 66.32 crore has been given during the year and total loans given (including interest) and securities given (guarantees) of ₹ 445.54 crore and ₹ 661.25 crore respectively is outstanding as at the balance sheet date.

- (b) The Company has not made any investments and provided any guarantees or securities during the year. In respect of loan given to a subsidiary company and other company in current year, the terms and conditions of the grant of all such loans are not prejudicial to the company's interest.
- (c) In respect of loans and advances in the nature of loans, the arrangement does not have stipulation of schedule of repayment of principal and payment of interest as all the loans are repayable on demand. Therefore, we are not able to make specific comments on the regularity of repayment of principal and payment of interest.
- (d) In respect of loans and advances in the nature of loan granted by the Company, in absence of specific stipulation of repayment of principal and payment of interest and considering the loans are repayable on demand and the Company has not demanded loan and accrued interest, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) As per the Company's records and explanation provided by management, no loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (f) The Company has granted loans which are repayable on demand of ₹ 132.64 crore in current year (100% of total loans granted in the current year and 6.35% of total loan outstanding as at year end). Out of same, demand loan granted to the promoters (as defined in section 2(69) of the Act) of ₹ 66.32 crore (consisting of 50% of total loan granted in current year) and demand loan granted to the related party (as defined in section 2(76) of the Act) of ₹ 66.32 crore (consisting of 50% of total loan granted in current year). As at March 31, 2022, total loans which are repayable on demand (including accrued interest and net of provisions) of ₹ 2,088.79 crore is outstanding.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a company in which the director is interested to which provisions of section 185 of the Act apply and hence not commented upon. In our opinion and according to the information and explanations given to us, provisions of Section 186 of the Act in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company to the extent applicable to it.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits from the public within the meaning of section 73 to 76 of the Act and the rules framed thereunder. Therefore, the provision of clause 3(v) of the Order is not applicable to the Company.
- (vi) To the best of our knowledge and as explained, the Company has maintained the cost records specified under Companies (Cost Records and Audit) Rules, 2014 issued under sub section (1) of Section 148 of the Act, in respect of Company's products to which said rules are made applicable and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate.
- (vii) (a) According to the records of the Company, undisputed statutory dues including Goods and Services Tax, 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 generally been regularly deposited with appropriate authorities except for slight delays due to liquidity shortage which were paid along with due interest. 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, 2022 for a period of more than six months from the date of becoming payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except as shown below:

Name of the Act	Nature of dues	Amount under dispute (₹ in Crore)	Period to which the amount relates (Financial year)	Forum where dispute is pending
Central Sales Tax Act, 1956 and Sales Tax Act /VAT Act of various states & GST Act	Sales Tax, VAT and Entry Tax, GST	46.98	Various year from 1982-83 to 2013-14	Sales Tax Appellate Tribunal
		3.34	Various year from 1990-91 to 2010-11	Hon'ble High Court
Income tax Act, 1961	Income tax demand	1.99	Assessment Year 2014-15	Commissioner of Income tax (Appeal)
Central Excise Act, 1944	Excise and Service Tax	0.80	Various year from 2006-07 to 2017-18	Commissioner of Central Excise (Appeals)
		0.07	1981-82	Central Excise & Service Tax Appellate Tribunal
		5.59	Various year from 2004-05 to 2005-06	Hon'ble Supreme Court

Note: For reporting under this clause only those disputes which are pending before Commissioner (Appeal) and higher authorities are reported. Further disputed matters other than Income tax, Sales tax, service tax, excise duty, custom duty value added tax and goods and service tax are not reported here.

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) Based on our audit procedures performed, according to information and explanations given by the management and on an overall examination of standalone financial statements of the Company, we are of the opinion that:
- (a) In our opinion and according to the information and explanations given to us, the Company has defaulted in repayment of loans and payment of interest thereon to banks and interest on debenture holders. The lender-wise details of the delays and defaults made by the Company as on March 31, 2022 is tabulated as under: -

A) Delay in payment of principal on sustainable debt

Lender Bank	No. of Days - Range		Amount (₹ in Crore) - Range	
	Min	Max	Min	Max
Bank of Baroda	6	70	0.07	1.73
Bank of India	6	40	0.04	1.77
Bank of Maharashtra	2	67	0.20	4.35
Canara Bank	2	69	0.08	2.35
Central Bank of India	8	70	0.21	3.00
IDBI Ltd	1	74	0.16	3.17
Indian Overseas Bank	8	40	0.06	2.62
Punjab National Bank	6	78	0.15	4.60
Union Bank of India	5	70	0.07	2.24
UCO Bank	2	47	0.54	3.90
Indian Bank	6	80	0.09	3.48
State Bank of India	20	74	0.06	12.00

As at March 31, 2022, total principal of ₹ 108.60 crore was outstanding towards the instalment of March 2022 as on 31.03.2022, out of this ₹ 38.52 crore has been paid till May 06, 2022. Due to non-payment of debt obligations, the lenders have signed an ICA (Inter Creditors Agreement) on January 28, 2022.

B) Delay in payment of Interest on sustainable debt

Lender Bank	No. of Days - Range		Amount (₹ in Crore) - Range	
	Min	Max	Min	Max
Bank of Baroda	1	33	0.00	0.24
Bank of India	7	33	0.00	0.23
Bank of Maharashtra	1	35	0.01	0.60
Canara Bank	1	34	0.01	0.59
Central Bank of India	1	34	0.01	0.77
IDBI Ltd	1	30	0.00	0.62
Indian Overseas Bank	1	18	0.00	0.31
Punjab National Bank	2	33	0.00	1.68
Union Bank of India	1	33	0.01	0.31
UCO Bank	1	34	0.01	0.54
Indian Bank	1	35	0.02	1.19

C) Default in payment of interest on OCD (Optionally Convertible Debentures):

Name of Institutions	Amount unpaid (₹ in Crore)	Remark
Indian Bank	8.25	Interest was due for payment on 31/03/2022, however not paid till the date of signing of the financial statements (i.e. 20/05/2022).
Bank of Baroda	2.00	
Bank of India	1.18	
Bank of Maharashtra	5.89	
Canara Bank	4.00	
Central Bank of India	6.46	
Union Bank of India	3.12	
IDBI Bank Ltd	5.75	
Indian Overseas Bank	1.78	
Punjab National Bank	17.96	
State Bank of India	19.37	
UCO Bank	2.61	
Total	78.37	

Note: Information in respect of delay and defaults have been reported lender-wise and in aggregate for better understanding.

- (b) According to the information and explanations given to us, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) As per the records of the Company, the Company has not obtained any term loans during the year hence reporting of clause (ix)(c) of paragraph 3 of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that during the year the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates.

- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year hence clause (x)(a) of paragraph 3 of the Order is not applicable to the Company.
- (b) During the year, the Company has made preferential allotment of shares by way of conversion of outstanding unsecured loan extended by the promoters as a part of promoter's contribution to the restructuring package approved by the lenders. In our opinion the Company has complied with the provision of section 42 and section 62 of the Act. Also, the funds originally raised as a part of restructuring package have been used for the purposes for which the funds were raised.
- (xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, we report that no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As per the records of the Company and information and explanation given to us by the management, the Company has not received any whistle blower complaints during the year.
- (xii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Act, where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on our examination, the company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) (a) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company. Hence reporting of clause (xvi)(a) to (xvi)(c) of paragraph 3 of the Order is not applicable to the Company.
- (b) In our opinion and based on our examination, the group has two core investments companies within the group which are the promoter companies.
- (xvii) Based on overall examination of the financial statements of the Company, we report that the company has incurred cash losses of ₹ 53.82 crore in the current financial year and ₹ 61.01 crore in the immediately preceding financial year.
- (xviii) During the year, the previous statutory auditors of the Company have resigned. We have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial

statements and our knowledge of the Board of Directors and Management plans and based on our examination other evidences supporting the assumptions, nothing has come to our attention, which causes us to believe that no other material uncertainty exists other than those disclosed in Material Uncertainty related to Going Concern paragraph in audit report, as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) The Company has incurred losses in preceding years hence not required to spend towards corporate social responsibility as specified in section 135 of the Act. Hence reporting in clause (xx) of paragraph 3 of the Order is not applicable to the Company.

For **Sidharth N Jain & Company**
Chartered Accountants
Firm registration number: 018311C

Sd/-
Sidharth Jain
Proprietor
Membership No.: 134684
UDIN: 22134684AJHNWX5835

Place: Lucknow
Date: May 20, 2022

Annexure ‘B’**Annexure to the independent auditor’s report of even date on the Standalone Financial Statements of Bajaj Hindusthan Sugar Limited****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)****Qualified Opinion**

We have audited the internal financial controls with reference to financial statements of Bajaj Hindusthan Sugar Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at March 31, 2022:

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

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

We have considered material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit for the year ended March 31, 2022, and these material weaknesses affect our opinion on financial statements of the Company for the year ended March 31, 2022.

In our opinion, except for the effects / possible effects of the material weakness described above under Qualified Opinion paragraph on the achievement of the objectives of the control criteria, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls were operating effectively as on March 31, 2022, based on the internal financial control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“the Guidance Note”).

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding

of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's Judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

For **Sidharth N Jain & Company**
Chartered Accountants
Firm registration number: 018311C

Sd/-
Sidharth Jain
Proprietor
Membership No.: 134684
UDIN: 22134684AJHNWX5835

Place: Lucknow
Date: May 20, 2022

BALANCE SHEET AS AT MARCH 31, 2022

Particulars	Note No.	March 31, 2022 ₹ Crore	As at March 31, 2021 ₹ Crore
ASSETS :			
Non-current assets			
Property, plant and equipment	5	6,799.28	6,985.26
Right of use assets	5	4.21	6.78
Capital work-in-progress	5	4.29	25.17
Other intangible assets	5	0.00	0.00
Financial assets			
Investments	6	92.34	140.24
Other financial assets	7	13.39	12.86
Other non-current assets	8	137.98	133.56
Total non-current assets		7,051.49	7,303.87
Current assets			
Inventories	9	2,745.56	2,541.34
Financial assets			
Current investments	10	770.13	770.13
Trade receivables	11	213.87	218.73
Cash and cash equivalents	12	47.33	63.00
Other bank balances	13	0.00	0.00
Loans and interest accrued	14	2,088.79	2,091.29
Current tax assets (net)	15	7.92	5.38
Other current assets	16	685.16	685.33
Total current assets		6,558.76	6,375.20
Total assets		13,610.25	13,679.07
EQUITY AND LIABILITIES :			
Equity			
Equity share capital	17	124.45	110.07
Other equity	18	2,752.94	2,830.84
Total equity		2,877.39	2,940.91
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19	4,243.82	4,802.32
Lease liabilities	20	2.46	4.84
Provisions	21	89.50	76.58
Deferred tax liabilities (net)	22	505.63	590.94
Other non-current liabilities	23	22.00	35.84
Total non-current liabilities		4,863.41	5,510.52
Current liabilities			
Financial liabilities			
Borrowings	24	543.01	579.09
Lease liabilities	25	2.38	2.43
Trade payables :-			
total outstanding dues of micro and small enterprises	26	0.28	19.72
total outstanding dues of other than micro and small enterprises	26	4,091.97	4,440.20
Other financial liabilities	27	79.29	15.24
Other current liabilities	28	1,131.74	154.77
Provisions	29	20.78	16.19
Total current liabilities		5,869.45	5,227.64
Total equity and liabilities		13,610.25	13,679.07

The accompanying notes "1" to "58" form an integral part of the standalone financial statements.

As per our Report of even date

For and on behalf of the Board

For Sidharth N Jain & Company
Firm Registration No.018311C
Chartered Accountants

Sunil Kumar Ojha
Chief Financial Officer
M. No. ACA 400837

Kushagra Bajaj
Chairman
DIN 00017575

Sidharth Jain
Proprietor
Membership No. 134684
Lucknow

Kausik Adhikari
Company Secretary
M. No. ACS 18556

Ajay Kumar Sharma
Managing Director
DIN 09607745

Atul Has mukhrai Mehta
Director
DIN 00112451

Vinod C. Sampat
Director
DIN 09024617

D.K. Shukla
Director
DIN 00025409

Shalu Bhandari
Director
DIN 00012556

Statement of Profit & Loss for the year ended March 31, 2022

Particulars	Note No.	Year ended March 31, 2022 ₹ Crore	Year ended March 31, 2021 ₹ Crore
INCOME :			
Revenue from operations	30	5,569.09	6,671.67
Other income	31	21.13	16.53
Total Income		5,590.22	6,688.20
EXPENSES :			
Cost of materials consumed	32	4,609.93	5,297.32
Changes in Inventories of finished goods, stock-in-trade and work-in-progress	33	(209.67)	193.31
Employee benefits expense	34	342.31	327.99
Finance costs	35	253.55	263.09
Depreciation and amortisation expense	36	214.63	215.16
Other expenses	37	601.83	674.01
Total Expenses		5,812.58	6,970.88
Profit/(Loss) before tax		(222.36)	(282.68)
Tax expenses			
Deferred tax	22	(4.11)	(3.08)
Total tax		(4.11)	(3.08)
Profit/(loss) for the year after tax		(218.25)	(279.60)
Other comprehensive income			
Items that will not be reclassified to profit or loss	38	(5.05)	1.79
Items that will be reclassified to profit or loss	38	(47.90)	(51.44)
Income tax on above	38	81.20	16.05
		28.25	(33.60)
Total comprehensive income		(190.00)	(313.20)
Earnings per equity share of face value of ₹ 1/- each			
Basic and Diluted	40	(1.82)	(2.54)

The accompanying notes "1" to "58" form an integral part of the standalone financial statements.

As per our Report of even date

For Sidharth N Jain & Company
Firm Registration No.018311C
Chartered Accountants

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Shalu Bhandari
Director
DIN 00012556

Mumbai, May 20, 2022

Cash Flow Statement for the year ended March 31, 2022

Particulars	Year ended March 31, 2022 ₹ Crore	Year ended March 31, 2021 ₹ Crore
A. Cash flow from operating activities:		
Net profit/(loss) before tax	(222.36)	(282.68)
Adjustment for:		
Depreciation and amortisation	214.63	215.16
Reversal of reserve for molasses storage tank - for repair work	(1.93)	(0.17)
Provision for doubtful Debts/Bad Debts Written off	7.16	6.31
Provision for doubtful advances	(0.22)	-
Provision for expenses written back	(4.28)	(0.18)
Rental Income	(11.02)	(10.91)
Loss/ (surplus) on sale of property, plant and equipment (net)	0.93	0.38
Finance costs	253.55	263.09
Interest income	(0.74)	(0.89)
	<u>458.08</u>	<u>472.79</u>
Operating profit/ (loss) before working capital changes	235.72	190.11
Adjustment for:		
Trade and other receivables	(6.59)	(68.02)
Inventories	(204.22)	170.05
Trade and other payables	612.21	59.80
Cash generated from operations	637.12	351.94
Direct taxes	(2.54)	(1.12)
Net cash from/ (used in) operating activities	<u>634.58</u>	<u>350.82</u>
B. Cash flow from investing activities:		
Purchase of property, plant and equipment	(8.40)	(2.20)
Sale of property, plant and equipment	2.27	0.11
Rental Income	11.02	10.91
Interest received	2.97	0.85
Net cash from/ (used in) investing activities	<u>7.86</u>	<u>9.67</u>
C. Cash flow from financing activities:		
Repayment of long-term borrowings	(470.79)	(226.48)
Interest paid	(184.18)	(168.86)
Payment of lease liability	(3.14)	(2.78)
Dividend paid	-	(0.06)
Net cash from/ (used in) financing activities	<u>(658.11)</u>	<u>(398.18)</u>
Net increase/(decrease) in cash and cash equivalents	(15.67)	(37.69)
Cash and cash equivalents (opening balance)	63.00	100.69
Cash and cash equivalents (closing balance) - refer note 12	<u>47.33</u>	<u>63.00</u>

Notes:-

- The above cash flow statement has been prepared under the "Indirect Method" as per Indian Accounting Standard (Ind AS) 7.
- Figures in brackets indicate cash outflow and without brackets indicate cash inflow.
- Disclosure of change in liabilities arising from financing, including both change from cash flow and non cash changes are given below:

Particulars	As at March 31, 2021	Cash flows*	Non-cash flows	As at March 31, 2022
Borrowings from banks	5,249.52	(470.79)	-	4,778.73
Loan from promoters (refer note 19.1)*	131.89	-	(123.79)	8.10
Lease liabilities	7.27	(3.14)	0.71	4.84
Interest on borrowings	15.24	(184.18)	248.23	79.29

* Notional interest ₹ 4.61 crore on promoters loan credited to promoter's loan account (refer note 19.5)

The accompanying notes "1" to "58" form an integral part of the standalone financial statements.

As per our Report of even date

For Sidharth N Jain & Company
Firm Registration No.018311C
Chartered Accountants

Sidharth Jain
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Vinod C. Sampat
Director
DIN 09024617

Shalu Bhandari
Director
DIN 00012556

Statement of Change in Equity

Equity share capital

(In ₹ Crore)

A	Particulars	Amount
	Equity share capital	113.36
	Less: Investment in BHL Security Trust and ESOP Trust	(3.29)
	Equity share capital as at April 1, 2020	110.07
	Change during the year	-
	Equity share capital as at March 31, 2021	110.07
	Particulars	Amount
	Equity share capital	113.36
	Less: Investment in BHL Security Trust and ESOP Trust	(3.29)
	Equity share capital as at April 1, 2021	110.07
	Change during the year	14.38
	Equity share capital as at March 31, 2022	124.45

B Other equity

(In ₹ Crore)

Particulars	Equity comp- onent of compound financial instrument	Reserve and surplus						Item of other comprehensive income	Total
		Retained earnings	Capital redemption reserve	Securities premium	General reserve	Reserve for molasses storage tanks	Actuarial gain / (loss) on employee benefit plans through OCI		
As at April 01, 2020	146.54	(1,205.37)	0.05	4,185.31	156.05	2.10	(18.35)	(122.12)	3,144.21
Profit for the period	-	(279.60)	-	-	-	-	-	-	(279.60)
Other comprehensive income for the year	-	-	-	-	-	-	1.79	(35.39)	(33.60)
Transfer to molasses storage fund	-	(0.96)	-	-	-	0.96	-	-	-
Utilisation of fund for maintenance of Molasses tank	-	-	-	-	-	(0.17)	-	-	(0.17)
As at March 31, 2021	146.54	(1,485.93)	0.05	4,185.31	156.05	2.89	(16.56)	(157.51)	2,830.84
Profit for the period	-	(218.25)	-	-	-	-	-	-	(218.25)
Other comprehensive income for the year	-	-	-	-	-	-	(5.05)	33.30	28.25
Equity component of compound financial instrument	(62.56)	-	-	-	-	-	-	-	(62.56)
Transfer to molasses storage fund	-	(0.93)	-	-	-	0.93	-	-	-
Transferred of Remeasurement of defined employee benefits	-	(3.86)	-	-	-	-	3.86	-	-
Premium on issue on equity share	-	-	-	176.59	-	-	-	-	176.59
Utilisation of fund for maintenance of Molasses tank	-	-	-	-	-	(1.93)	-	-	(1.93)
As at March 31, 2022	83.98	(1,708.97)	0.05	4,361.90	156.05	1.89	(17.75)	(124.21)	2,752.94

As per our Report of even date

For Sidharth N Jain & Company
Firm Registration No.018311C
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Director
DIN 09024617

Shalu Bhandari
Director
DIN 00012556

Mumbai, May 20, 2022

Notes forming part of financial statements

1 Corporate information

"Bajaj Hindusthan Sugar Limited ('the Company') is a public limited company incorporated in India under the provisions of the Companies Act and its shares are listed on Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is situated at Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh – 262 802, and its principal place of business is at TC-13, Vibhuti Khand, Gomti Nagar, Lucknow – 226 010. The Company is engaged in the manufacture of sugar, alcohol and generation of power. The Standalone financial statements of the Company are for the year ended March 31, 2022 and are prepared in Indian Rupees being the functional currency. The values in Indian Rupees are rounded to crore, except otherwise indicated."

2 Accounting policies

(i) Basis of preparation and presentation:

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for:

- i) Certain financial assets and liabilities measured at fair value,
- ii) Defined benefit plans - plan assets measured at fair value.

The financial statements of the Company have been prepared to comply with the Indian Accounting Standards ('Ind AS') notified under Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) read with section 133 of the Companies Act, 2013 ("the Act").

(ii) Current and non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- i) expected to be realised or intended to be sold or consumed in normal operating cycle,
- ii) held primarily for the purpose of trading,
- iii) expected to be realised within twelve months after the reporting period,
- iv) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period, or
- v) carrying current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is current when:

- i) it is expected to be settled in normal operating cycle;
- ii) it is held primarily for the purpose of trading ;
- iii) it is due to be settled within twelve months after the reporting period,
- iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period, or
- v) it includes current portion of non current financial liabilities.

All other liabilities are classified as non-current.

(iii) Operating cycle:

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out above which are in accordance with the schedule III to the Act. Based on the nature of services and time between the acquisition of assets for providing of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

(iv) Property, plant and equipment:

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes purchase price, taxes and duties, labour cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use. In case of land, the Company has opted to state fair value as deemed cost on the date of transition to Ind AS, when significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major refurbishment is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred. Expenditure during construction period incurred on the projects under implementation are treated as pre-operative expenses pending allocation to the assets, and are included under "Capital Work-in-Progress". These expenses are apportioned to property, plant and equipment on commencement of commercial production. Capital Work-in-Progress is stated at the amount incurred up to the date of Balance Sheet. Depreciation on property, plant and equipment is provided on straight line method and based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except, leasehold and improvements which are amortised over the lower of estimated useful life or lease period; on assets acquired under finance lease depreciation is provided over the lease term. Depreciation on assets added, sold or discarded during the year is provided on pro rata basis. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Gains or losses arising from de-recognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is de-recognised.

(v) Leases:

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

- (i) Low value leases; and
- (ii) Leases which are short-term.

Assets given on lease are classified either as operating lease or as finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Initially asset held under finance lease is recognised in balance sheet and presented as a receivable at an amount equal to the net investment in the lease. Finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the Company's net investment in the lease. A lease which

is not classified as a finance lease is an operating lease. The Company recognises lease payments in case of assets given on operating leases as income on a straight-line basis. The Company presents underlying assets subject to operating lease in its balance sheet under the respective class of asset.”

(vi) Intangible assets:

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation / depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use. Gains or losses arising from de-recognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognised in the statement of profit and loss when the asset is derecognised. Computer softwares are amortised over a period of 5 years. The amortisation period and the amortisation method for intangible assets with a finite useful life are reviewed at each reporting date.

(vii) Research & Development Expenditure:

Revenue expenditure on Research is expensed out in the statement of profit and loss for the year. Development costs of products are charged to the statement of profit and loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalised. Capital expenditure on research and development is shown as an addition to property, plant and equipment.

(viii) Borrowing Cost:

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are charged to the profit and loss statement in the period in which they are incurred.

(ix) Inventories:

- i) Stock of raw materials is valued at cost or net realisable value whichever is lower. Cost is arrived at on FIFO Basis.
- ii) Stock of materials-in-process and finished goods are valued at cost or net realisable value whichever is lower.
- iii) Stores, spares and packing materials 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 have been valued at estimated realisable value.
- vi) Trial run inventories are valued at cost or estimated realisable value whichever is lower.

(x) Earnings per share (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.

(xi) Impairment of non-financial Assets:

The carrying amount of any property, plant and equipment and intangible assets with finite lives are reviewed at each balance sheet date, if there is any indication of impairment based on internal / external 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 (CGU) net selling price and its value in use. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

(xii) Provisions, contingent liabilities and contingent assets

"Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost."

(xiii) Employee benefits:

i) Short-term employee benefits:

Short-term employee benefits are recognised as expenditure at the undiscounted value in the statement of profit and loss of the year in which the related service is rendered.

ii) Post-employment benefits:

"Defined contribution plans: Company's contribution to the superannuation scheme, provident fund scheme and pension under employees' pension scheme etc. are recognised during the year in which the related service is rendered. Monthly contributions are made to a trust administered by the trustees. The interest rate payable by the trust to the beneficiaries is notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return on the investments of the trust and the notified interest rate. Defined benefit plans - gratuity: Gratuity liability is covered under the gratuity-cum-insurance policy of Life Insurance Corporation of India (LIC) administered by trust. The present value of the obligation is determined based on an actuarial valuation, using the projected unit credit method. Actuarial gains and losses in respect of post-employment benefits are charged to the Other Comprehensive Income (OCI). The amount funded by the Company administered by the trust under the aforesaid Policy, is reduced from the gross obligation under the defined benefit plan, to recognise the obligation on a net basis."

iii) "The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur."

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

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

(xiv) Taxation:

- i) Provision for current tax is made with reference to taxable income computed for the accounting period for which the financial statements are prepared by applying the tax rates and laws that are enacted or substantively enacted at the Balance sheet date. The tax is recognised in statement of profit and loss, except to the extent that it related to items recognised in the other comprehensive income (OCI) or in other equity. In this case, the tax is also recognised in other comprehensive income and other equity.
- ii) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period. Deferred tax asset on unabsorbed depreciation and carried forward losses is recognised only to the extent of deferred tax liability.
- iii) Credit of Minimum Alternate Tax (MAT) is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(xv) Cash and cash equivalents:

Cash and cash equivalents includes cash in hand and deposits with any qualifying financial institution repayable on demand or maturing within three months from the date of acquisition and which are subject to an insignificant risk of change in value.

(xvi) Foreign Currencies:

- i) Foreign currency transactions are recorded at the rates of exchange prevailing on the date of transaction. Monetary foreign currency assets and liabilities outstanding at the close of the financial year are revalued at the exchange rates prevailing on the balance sheet date. Exchange differences arising on account of fluctuation in the rate of exchange is recognised in the statement of profit and loss. However, in respect of long-term foreign currency monetary items taken prior to April 1, 2015 being the date of transition to Ind AS, the exchange difference relating to acquisition of capital assets, has been adjusted to the capital assets.
- ii) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit and loss are also recognised in OCI or statement of profit and loss, respectively).

(xvii) Revenue recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, including excise duty and excluding taxes or duties collected on behalf of the government.

Revenue is recognised only if following condition are satisfied:

- The Company has transferred risks and rewards incidental to ownership to the customer;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- It is probable that the economic benefit associated with the transaction will flow to the Company; and
- It can be reliably measured and it is reasonable to expect ultimate collection.

Export incentives accrued under foreign trade policy are accounted for in the year of export.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income is recognised when the right to receive payment is established.

(xviii) Government grants

The Government grants such as capital subsidies under Sugar Promotion Policy, 2004, interest free or concessional interest rate loans and subsidies related to sugar cane purchased are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to the financial liabilities.

(xix) Financial Instruments

i) Financial assets

A Initial recognition

The Company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement. Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial instruments are recognised initially at fair value plus transactions costs that are directly attributable to the acquisition or issue of the financial instrument, except for financial assets at fair value through statement of profit and loss, which are initially measured at fair value, excluding transaction costs (which is recognised in statement of profit and loss).

B Subsequent measurement

a) Financial assets carried at amortised cost (AC)

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) **Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) **Financial assets at fair value through statement of profit and loss (FVTPL)**

Equity instruments

All equity investments in scope of Ind-AS 109 are measured at fair value either as at FVTOCI or FVTPL. The Company makes such election on instrument-by-instrument basis.

For equity instruments measured as at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognised in the OCI. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss (P&L).

Investment in subsidiaries and associates

Investment in subsidiaries and associates are carried at cost.

Treasury shares

The Company has created a Securities Trust that holds the equity shares of the company, which were allotted to the Trust in 2010 pursuant to the Scheme of amalgamation of its erstwhile subsidiary Bajaj Hindusthan Sugar and Industries Ltd. The Company uses Trust as a separate vehicle under the said scheme and treats as its extension and shares held by Trust are treated as treasury shares. The own equity shares that reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity shares. Corresponding amount of security premium is reduced from other equity.

d) **Impairment of financial assets**

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

1. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
2. Financial assets that are debt instruments and are measured as at FVTOCI
3. Lease receivables
4. Trade receivables or any contractual right to receive cash or another financial asset
5. Loan commitments which are not measured as at FVTPL
6. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables; and all lease receivables

The application of simplified approach does not require the Company to track changes in credit risk rather; it recognises impairment loss allowance based on 12 months ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ii) Financial liabilities

A Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in statement of profit and loss as finance cost.

B Subsequent measurement:

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

a) Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in statement of profit and loss when liabilities are derecognised. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance cost in the statement of profit and loss.

b) Compound financial instruments

At the issue date the fair value of the liability component of a compound instrument is estimated using the market interest rate for a similar non-convertible instrument. This amount is recorded as a liability at amortised cost using the effective interest method until extinguished upon conversion or at the instrument's redemption date. The equity component is determined as the difference of the amount of the liability component from the fair value of the instrument. This is recognised in equity, net of income tax effects, and is not subsequently re-measured.

iii) De-recognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

iv) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may vary from actual realisation on future date.

v) Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to statement of profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

(xx) Non-current assets held for sale/ distribution to owners and discontinued operations:

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the assets (or disposal group) to fair value less cost to sell. A gain is recognised for any subsequent increases in fair value less cost to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition. Non-current assets (including that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

3 Critical estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

i) Depreciation and useful lives of property, plant and equipment:

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

ii) Recoverability of trade receivable:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

iii) Provisions:

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

iv) Impairment of non-financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is

the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

v) **Impairment of financial assets:**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

vi) **Fair value measurement of financial instruments:**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

vii) **Estimation uncertainty relating to the global health pandemic on COVID-19**

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

viii) **Recognition of Minimum Alternative Tax (MAT) credit as an asset:**

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period; in the year in which the MAT credit becomes eligible to be recognised as an asset. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

ix) **Material uncertainty about going concern:**

In preparing financial statements, management has made an assessment of Company's ability to continue as a going concern. Financial statements are prepared on a going concern basis. The Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. Further details on going concern are disclosed in note no. 54.

4 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below:

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but

deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.”

5 a) Property, Plant and Equipment

(in ₹ Crore)

	Land Freehold	Land Leasehold	Buildings	Plant & Machinery	Furniture, Fixtures & Office equipment	Vehicles	Total	Capital Work-in-Progress	Grand Total
Gross Block									
Balance as at 1st April, 2020	3,711.53	1.02	1,277.83	5,456.90	47.33	129.38	10,623.99	43.07	10,667.06
Additions	-	-	-	19.50	0.58	0.02	20.10	1.60	21.70
Disposals & Adjustments	-	-	0.02	1.23	0.51	0.46	2.22	19.50	21.72
Balance as at 31st March, 2021	3,711.53	1.02	1,277.81	5,475.17	47.40	128.94	10,641.87	25.17	10,667.04
Additions	-	-	-	27.62	1.59	0.07	29.28	4.06	33.34
Disposals & Adjustments	-	-	1.27	5.23	0.44	1.14	8.08	24.94	33.02
Balance as at 31st March, 2022	3,711.53	1.02	1,276.54	5,497.56	48.55	127.87	10,663.07	4.29	10,667.36
Accumulated Depreciation									
Balance as at 1st April, 2020	-	0.33	362.00	2,971.07	43.84	68.60	3,445.84	-	3,445.84
Additions	-	0.03	29.01	177.03	0.85	5.58	212.50	-	212.50
Disposals & Adjustments	-	-	-	0.80	0.49	0.44	1.73	-	1.73
Balance as at 31st March, 2021	-	0.36	391.01	3,147.30	44.20	73.74	3,656.61	-	3,656.61
Additions	-	0.03	28.96	176.74	0.89	5.44	212.06	-	212.06
Disposals & Adjustments	-	-	0.46	2.93	0.43	1.06	4.88	-	4.88
Balance as at 31st March, 2022	-	0.39	419.51	3,321.11	44.66	78.12	3,863.79	-	3,863.79
Net Block									
Balance as at 31st March, 2021	3,711.53	0.66	886.80	2,327.87	3.20	55.20	6,985.26	25.17	7,010.43
Balance as at 31st March, 2022	3,711.53	0.63	857.03	2,176.45	3.89	49.75	6,799.28	4.29	6,803.57

(b) Right-of-use asset	₹ Crore	
	Right-of-use asset	Total
Gross Block		
Balance as at 1st April, 2020	12.10	12.10
Additions	-	-
Disposals & Adjustments	-	-
Balance as at 31st March, 2021	12.10	12.10
Additions	-	-
Disposals & Adjustments	-	-
Balance as at 31st March, 2022	12.10	12.10
Accumulated Depreciation		
Balance as at 1st April, 2020	2.66	2.66
Additions	2.66	2.66
Disposals & Adjustments	-	-
Balance as at 31st March, 2021	5.32	5.32
Additions	2.57	2.57
Disposals & Adjustments	-	-
Balance as at 31st March, 2022	7.89	7.89
Net Block		
Balance as at 31st March, 2021	6.78	6.78
Balance as at 31st March, 2022	4.21	4.21

(c) Other Intangible assets	₹ Crore	
	Computer Software	Total
Gross Block		
Balance as at 1st April, 2020	0.02	0.02
Additions	-	-
Disposals & Adjustments	-	-
Balance as at 31st March, 2021	0.02	0.02
Additions	-	-
Disposals & Adjustments	-	-
Balance as at 31st March, 2022	0.02	0.02
Accumulated Amortization		
Balance as at 1st April, 2020	0.02	0.02
Additions	-	-
Disposals & Adjustments	-	-
Balance as at 31st March, 2021	0.02	0.02
Additions	-	-
Disposals & Adjustments	-	-
Balance as at 31st March, 2022	0.00	0.00
Balance as at 31st March, 2022	0.00	0.00

Note:

Assets pledged as security refer note no. 19.4

The Company has clear title of all the immovable properties, excepting the leasehold land, as presented in the statement above.

5 (d) Capital Work-in-Progress (CWIP)
Ageing of Capital Work-in-Progress

(in ₹ Crore)

As at March 31, 2022					
Particulars	< 1 year	1 - 2 year	2 - 3 year	> 3 year	Total
MEE and others in Distillery	2.55	0.19	-	-	2.74
ENA to Ethanol plant modification	1.55	-	-	-	1.55
Total	4.10	0.19	-	-	4.29
As at March 31, 2021					
Particulars	< 1 year	1 - 2 year	2 - 3 year	> 3 year	Total
MEE and others in Distillery	1.97	7.43	13.05	2.28	24.73
Other Miscellaneous	0.44	-	-	-	0.44
Total	2.41	7.43	13.05	2.28	25.17

There is no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan at March 31, 2022 and March 31, 2021.

	As at March 31, 2022 (In ₹ Crore)	As at March 31, 2021 (In ₹ Crore)
6 Non-current investments		
Trade investments		
Investment classified at cost		
In Equity Shares of Subsidiary companies		
Unquoted, fully paid up		
2,70,01,000 (2,70,01,000) Shares of Bajaj Hindusthan (Singapore) Private Ltd., Singapore of S\$ 1/- each	92.32	92.32
20,000 (20,000) Shares of Bajaj Power Generation Pvt. Ltd. of ₹ 10/- each	0.02	0.02
50,00,000 (50,00,000) Shares of Bajaj Aviation Private Ltd. of ₹ 10/- each	5.00	5.00
Less: Provision for diminution in value of investments	(5.00)	(5.00)
	92.34	92.34
In Equity Shares of Associate companies		
Unquoted, fully paid up		
11,48,400 (11,48,400) Shares of Bajaj Ebiz Pvt. Ltd. of ₹ 10/- each	1.15	1.15
Less: Provision for diminution in value of investments	(1.15)	(1.15)
	-	-
9,000 (9,000) Shares of Esugarindia Ltd. of ₹ 10/- each	0.01	0.01
Less: Provision for diminution in value of investments	(0.01)	(0.01)
	-	-
Total Trade Investments	92.34	92.34
Non-trade investments		
Investments classified at fair value through other comprehensive income (OCI)		
In Preference Shares of other company		
Unquoted, fully paid up		
3,50,03,927 (3,50,03,927) 6% Redeemable Non Cumulative Non Convertible Preference Shares of Phenil Sugars Ltd. of ₹ 100/- each	350.04	350.04
Less: Provision for diminution in value of investments	(350.04)	(350.04)
	-	-

	As at March 31, 2022 (In ₹ Crore)	As at March 31, 2021 (In ₹ Crore)
In Debentures of other company		
Unquoted, fully paid up		
3,70,48,321 (3,70,48,321) Zero coupon Optionally Convertible Debentures of Phenil Sugars Ltd. of ₹100/- each	370.48	370.48
Less: Provision for diminution in value of investments	(370.48)	(322.58)
	-	47.90
Total non-trade investments	-	47.90
	92.34	140.24
Aggregate value of unquoted investments	92.34	140.24
Category-wise non-current investments		
Financial assets measure at cost	92.34	92.34
Financial assets measure at fair value through other comprehensive income	-	47.90
Total non-current investments	92.34	140.24
7 Other non-current financial assets		
(Unsecured considered good)		
Fixed deposits*	13.39	12.86
	13.39	12.86
* Earmarked ₹ 13.39 crore (P.Y. ₹ 12.86 crore) for specific purposes.		
8 Other non-current assets		
(Unsecured considered good unless otherwise stated)		
Taxes paid under protest	54.80	47.49
MAT credit entitlement	79.44	79.44
Security deposits to related parties (refer note 43)	1.02	4.66
Security deposits - Good	2.72	1.97
Security deposits - Doubtful	0.30	0.30
Provision for bad and doubtful - Security deposit	(0.30)	(0.30)
	-	-
	137.98	133.56
9 Inventories		
(At cost or net realisable value whichever is lower, unless otherwise stated)		
Raw materials	6.22	8.33
Stores, spares & packing materials (at cost)	108.82	112.16
Finished goods	2,184.00	2,093.28
By-products (at estimated realisable value)	412.45	301.78
Work-in-process	34.07	25.79
	2,745.56	2,541.34
- Includes inventories of ₹1,137.66 crore (P.Y. ₹ 1,077.31 crore) carrying at fair value less than cost to sale.		
- Inventories pledged as a securities - refer note no. 19.4		
10 Current Investments		
Investments classified at fair value through other comprehensive income		
In Equity Shares of other companies		
Unquoted, fully paid up		
1,54,39,900 (1,54,39,900) Shares of Lalitpur Power Generation Company Ltd. of ₹ 10/- each #	770.13	770.13
	770.13	770.13
# These investments are pledged against loans taken by the Company and Lalitpur Power Generation Company Limited.		

	As at March 31, 2022 (In ₹ Crore)	As at March 31, 2021 (In ₹ Crore)
11 Trade receivables		
(Unsecured considered good unless otherwise stated)		
Considered good*	221.70	269.08
Less: Allowance for expected credit loss	(7.83)	(50.35)
Total Trade receivables Considered good	<u>213.87</u>	<u>218.73</u>
Considered doubtful	3.43	3.43
Less: Allowance for credit impairment	(3.43)	(3.43)
	<u>-</u>	<u>-</u>
	<u>213.87</u>	<u>218.73</u>

* Includes ₹ 7.20 crore (P.Y. ₹ 57.61 crore) due from related parties. Refer note 43

11.01 Trade Receivables ageing schedule**As at March 31, 2022****(In ₹ Crore)**

Particulars	Outstanding for following periods from due date of payment					Total
	< 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	
(i) Undisputed Trade receivables - considered good	209.72	3.26	1.33	0.34	2.00	216.65
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	2.88	2.88
(iii) Disputed Trade receivables - considered good	-	-	0.33	0.97	3.75	5.05
(iv) Disputed Trade receivables - considered doubtful	-	-	-	-	0.55	0.55
Total	209.72	3.26	1.66	1.31	9.18	225.13
Less: Allowance for credit loss/credit impaired	(0.87)	(0.27)	(0.29)	(0.65)	(9.18)	(11.26)
Total	208.85	2.99	1.37	0.66	-	213.87

As at March 31, 2021**(In ₹ Crore)**

Particulars	Outstanding for following periods from due date of payment					Total
	< 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	
(i) Undisputed Trade receivables - considered good	204.03	10.35	8.47	7.71	33.47	264.03
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	2.88	-	2.88
(iii) Disputed Trade receivables - considered good	-	0.33	0.97	-	3.75	5.05
(iv) Disputed Trade receivables - considered doubtful	-	-	-	-	0.55	0.55
Total	204.03	10.68	9.44	10.59	37.77	272.51
Less: Allowance for credit loss/credit impaired	(1.49)	(0.81)	(3.25)	(10.46)	(37.77)	(53.78)
Total	202.54	9.87	6.19	0.13	-	218.73

	As at March 31, 2022 (In ₹ Crore)	As at March 31, 2021 (In ₹ Crore)
12 Cash and cash equivalents		
Balance with banks :		
Current account	41.63	62.45
Cheques, draft on hand	5.11	0.01
Cash on hand	0.59	0.54
	<u>47.33</u>	<u>63.00</u>
13 Other bank balances		
Balance with banks (unpaid dividend ₹ 2,640)	0.00	0.00
	<u>0.00</u>	<u>0.00</u>
14 Loans and interest accrued		
(Considered good unless otherwise stated)		
Loans & advances to related parties (refer note 43) - good	936.92	870.60
- doubtful	37.12	37.12
Loans & advances to others -good	252.18	318.50
- doubtful	2.29	2.29
- Sub total	1,228.51	1,228.51
Less:- Provision for doubtful loans & advances	<u>(39.41)</u>	<u>(39.41)</u>
	1,189.10	1,189.10
Interest receivable on loans - related parties (refer note 43) - good	706.33	708.83
- doubtful	18.59	18.59
Interest receivable on loans - others	193.36	193.36
	<u>2,107.38</u>	<u>2,109.88</u>
Less:- Provision for doubtful Interest receivable on loans	<u>(18.59)</u>	<u>(18.59)</u>
Total*	<u>2,088.79</u>	<u>2,091.29</u>
*Out of above:		
Secured by pledge of investment - Related Party #	1,643.25	1,579.43
Secured by pledge of investment - Others **	445.54	511.86
Unsecured - Related Party	55.71	55.71
Unsecured - Others	2.29	2.29
	<u>2,146.79</u>	<u>2,149.29</u>
Less:- Provision for doubtful loans & advances	<u>(58.00)</u>	<u>(58.00)</u>
	<u>2,088.79</u>	<u>2,091.29</u>
# The loan is secured by pledge of 2,42,59,091 equity shares held by the related party in Bajaj Power Ventures Pvt. Ltd. [Previous year 2,66,85,000 ZOCD in Lambodar Stocks Pvt. Ltd].		
** Includes ₹ 445.54 crore to Ojas Industries Pvt. Ltd. for which charge has been created on May 02, 2022.		

14.1 Details of loans and advance given

(In ₹ Crore)

Type of Borrower	March 31, 2022		March 31, 2021	
	Amount outstanding including interest	Percentage to the total loans & advances	Amount outstanding including interest	Percentage to the total loans & advances
Related Party: Subsidiaries				
Bajaj Aviation Pvt. Ltd.	43.00	2.00%	43.00	2.00%
Bajaj Hindusthan (Singapore) Pvt. Ltd.	12.71	0.59%	12.71	0.59%
Bajaj Power Generation Pvt. Ltd.	1,643.25	76.54%	1,579.43	73.49%
	<u>1,698.96</u>	<u>79.13%</u>	1,635.14	76.08%
Notes:- The above loans are repayable on demand				

14.2 Disclosure as per clause 34(3) and schedule V of SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015.

a) Loans and advances given to subsidiaries:

(In ₹ Crore)

Name of Subsidiaries	Amount outstanding including interest		Maximum balance outstanding including interest during the year	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Bajaj Aviation Pvt. Ltd.	43.00	43.00	43.00	43.00
Bajaj Hindusthan (Singapore) Pvt. Ltd.	12.71	12.71	12.71	12.71
Bajaj Power Generation Pvt. Ltd.	1,643.25	1,579.43	1,643.25	1,579.43
	1,698.96	1,635.14		

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

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

Particulars	No. of Shares	As at March 31, 2022 (In ₹ Crore)	No. of Shares	As at March 31, 2021 (In ₹ Crore)
PT. Batu Bumi Persada, Indonesia (Step down subsidiary)	49,500	24.27	49,500	24.27
PT. Jangkar Prima, Indonesia (Step down subsidiary)	49,940	56.90	49,940	56.90

	As at March 31, 2022 (In ₹ Crore)	As at March 31, 2021 (In ₹ Crore)
15 Current tax assets (net)		
Advance income tax (net of provisions)		
At the start of year	5.38	4.26
Addition during the year	2.54	0.99
Others	-	0.13
At the end of year	7.92	5.38
16 Other current assets		
(Unsecured considered good)		
Receivable under SPP (refer note 51)	592.38	592.38
Claims/refund recoverable in cash or in kind or for value to be received	18.10	14.37
Duty drawback receivable	0.14	0.11
Other advances* - Good	74.54	78.47
- Doubtful	0.66	0.88
	685.82	686.21
Less: Provision for doubtful advances	(0.66)	(0.88)
	685.16	685.33

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

	As at March 31, 2022 (In ₹ Crore)	As at March 31, 2021 (In ₹ Crore)
17 Equity share capital		
Authorised:		
5,00,00,00,000 (5,00,00,00,000) Equity Shares of ₹ 1/- each	<u>500.00</u>	<u>500.00</u>
	500.00	500.00
Issued		
1,32,30,31,364 (1,17,92,31,364) Equity Shares of ₹ 1/- each	<u>132.30</u>	<u>117.92</u>
	132.30	117.92
Subscribed and Paid up:		
1,27,73,59,942 (1,13,35,59,942) Equity Shares of ₹ 1/- each	<u>127.74</u>	<u>113.36</u>
	127.74	113.36
Less:		
Interest in BHL Securities Trust 3,11,00,000 (3,11,00,000) equity share of ₹ 1/- (refer note no. v)	<u>3.11</u>	<u>3.11</u>
Share held by ESOP Trust 17,80,000 (17,80,000) equity share of ₹ 1/- (refer note no. v)	<u>0.18</u>	<u>0.18</u>
	3.29	3.29
	<u>124.45</u>	<u>110.07</u>

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

49,11,60,031 Equity shares have been issued for consideration other than cash to lender banks on conversion of Funded Interest Term Loan (FITL) as per Master Restructuring Agreement (MRA) during the financial year 2015-16 and 2016-17.

Pursuant to the obligations on the Promoters of the Company under the Master Restructuring Agreement executed with the lenders on December 30, 2014, the promoters / promoter group entity given an unsecured loan of ₹ 200 crore to the Company during the period from November 13, 2014 to September 24, 2015. As per request of the Promoters, consortium of lenders granted their approval for the conversion of loan into equity shares of the Company. Pursuant to the approval of the shareholders of the Company at the extra ordinary general meeting held on July 15, 2021, the board of directors at its meeting held on July 20, 2021, has allotted, 14,38,00,000 equity shares at a price of ₹ 13.28 per share (including premium of ₹ 12.28 per share) to promoters / promoter group entity aggregating to ₹ 190,96,64,000 on conversion of loan.

Consequent to the allotment of the equity shares as aforesaid, the paid up equity share capital of the Company stands increased from the present ₹ 113,35,59,942/-, divided into 113,35,59,942 equity shares of ₹ 1/- each, to ₹ 127,73,59,942/-, divided into 127,73,59,942 equity share of ₹ 1/- each. Shareholding of promoters / promoter group increased from 15.43% to 24.95%

- (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, 2022 No. of Shares	As at March 31, 2021 No. of Shares
Equity Shares (with voting rights) at the beginning of the year	1,13,35,59,942	1,13,35,59,942
Issued during the year	<u>14,38,00,000</u>	<u>-</u>
Equity Shares at the end of the year	<u>1,27,73,59,942</u>	<u>1,13,35,59,942</u>

- (iii) Terms/rights of equity shares:-

The Company has one class of equity shares having par value of ₹ 1/- per share. All equity shares are ranking pari passu in all respects including dividend. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the realised value of the assets of the Company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iv) The details of Shareholders holding more than 5% shares:-

Sl. No.	Name of Shareholders	As at March 31, 2022		As at March 31, 2021	
		No. of Shares	% held	No. of Shares	% held
1.	Kushagra Bajaj #	9,61,04,867	7.52%	-	0.00%
2.	Bajaj Resources Ltd.	8,79,71,924	6.89%	8,19,44,455	7.23%
3.	Punjab National Bank *	-	0.00%	12,73,10,276	11.23%
4.	Indian Bank (earlier Allahabad Bank) *	-	0.00%	6,29,28,861	5.55%
5.	Central Bank of India *	-	0.00%	5,66,86,605	5.00%

Shareholding was below 5% as at March 31, 2021.

* Shareholding have reduced below 5% as at March 31, 2022.

(v) The Company hold beneficial interest in BHL Security Trust which holds 3.11 crore shares of the Company allotted on amalgamation of its subsidiary Bajaj Hindusthan Sugar and Industries Limited in 2010. The Company has also formed an ESOP Trust under the ESOP scheme. The Company has given an advance ₹ 8.69 crore to ESOP Trust which hold 0.18 crore equity shares. Face value of these shares are treated as treasury shares as per Ind AS 32 – “Financial Instruments – Presentation” and shown as reduction from equity. Excess of carrying value of these shares over the face value are reduced from securities premium.

(vi) Changes in promoters holding during the year ended on March 31, 2022

Sl. No.	Promoter Name	As at March 31, 2022		As at March 31, 2021		% of Change
		No. of Shares	% of total Shares	No. of Shares	% of total Shares	
1	Shishirkumar Bajaj	83,96,341	0.66%	83,96,341	0.74%	0.00%
2	Kushagra Bajaj	9,61,04,867	7.52%	1,28,97,036	1.14%	645.17%
3	Minakshi Bajaj	42,54,556	0.33%	42,54,556	0.38%	0.00%
4	Apoorva Bajaj	2,31,751	0.02%	2,31,751	0.02%	0.00%
5	Shishir Bajaj & Minakshi Bajaj (As Karta of Shishir Bajaj HUF)	38,74,654	0.30%	38,74,654	0.34%	0.00%
6	Shishir Bajaj, Minakshi Bajaj & Kushagra Bajaj (As Trustees of Kushagra Trust No. 2)	60,623	0.00%	60,623	0.01%	0.00%
7	Bajaj Capital Ventures Pvt. Ltd.	22,47,142	0.18%	22,47,142	0.20%	0.00%
8	Shishir Bajaj, Minakshi Bajaj & Kushagra Bajaj (As Trustees of Shishir Bajaj Family Trust)	288	0.00%	288	0.00%	0.00%
9	Shishirkumar Bajaj & Kushagra Bajaj (As Trustees of Bajaj Hindusthan Limited Employees General Medical Aid Fund)	20,78,120	0.16%	20,78,120	0.18%	0.00%
10	Shishirkumar Bajaj & Kushagra Bajaj (As Trustees of Bajaj Hindusthan Limited Employees Family Planning Welfare Fund)	17,53,100	0.14%	17,53,100	0.15%	0.00%
11	Shishirkumar Bajaj & Kushagra Bajaj (As Trustees of Bajaj Hindusthan Limited Employees Sports & Cultural Activities Welfare Fund)	17,43,600	0.14%	17,43,600	0.15%	0.00%
12	Shishirkumar Bajaj & Kushagra Bajaj (As Trustees of Bajaj Hindusthan Limited Managerial Staff Medical Aid Fund)	17,39,100	0.14%	17,39,100	0.15%	0.00%

Sl. No.	Promoter Name	As at March 31, 2022		As at March 31, 2021		% of Change
		No. of Shares	% of total Shares	No. of Shares	% of total Shares	
13	Shishirkumar Bajaj & Kushagra Bajaj (As Trustees of Bajaj Hindusthan Limited Employees Education Welfare Fund)	16,09,298	0.13%	16,09,298	0.14%	0.00%
14	Bajaj Resources Pvt. Ltd. (Formerly known as Bajaj Resources Ltd.)	8,79,71,924	6.89%	8,19,44,455	7.23%	7.36%
15	A N Bajaj Enterprises Pvt Ltd .	1,83,07,954	1.43%	1,83,07,954	1.62%	0.00%
16	KNB Enterprises LLP	110	0.00%	110	0.00%	0.00%
17	SKB Roop Commercial LLP *	6,05,92,279	4.74%	110	0.00%	*100.00%
18	Lambodar Stocks Private Limited	121	0.00%	121	0.00%	0.00%
19	Bajaj International Realty Pvt Ltd .	2,77,77,484	2.17%	2,77,77,484	2.45%	0.00%
20	Bajaj Power Ventures Private Limited	110	0.00%	110	0.00%	0.00%
21	Anand Engineering Limited	-	0.00%	60,27,469	0.53%	-100.00%

* Opening holding was immaterial hence ignored for the purpose of calculation of percentage increased.

	As at March 31, 2022 (In ₹ Crore)	As at March 31, 2021 (In ₹ Crore)
18 Other equity		
Capital redemption reserve		
Opening balance	0.05	0.05
Closing balance	0.05	0.05
Securities premium		
Opening balance	4,185.31	4,185.31
Issue of equity shares	176.59	-
Closing balance	4,361.90	4,185.31
Equity Component of Compound Financial Instrument		
Opening balance	146.54	146.54
During the year utilise on conversion of loan	(62.56)	-
Closing balance	83.98	146.54
General reserve		
Opening balance	156.05	156.05
Closing balance	156.05	156.05
Reserve for molasses storage tanks		
Opening balance	2.89	2.10
Transferred from statement of profit & loss	0.93	0.96
Utilisation of fund for maintenance of molasses tank	(1.93)	(0.17)
Closing balance	1.89	2.89
Gain / (loss) on Investment through FVOCI		
Opening balance	(157.51)	(122.12)
Change during the year	33.30	(35.39)
Closing balance	(124.21)	(157.51)

	As at March 31, 2022 (In ₹ Crore)	As at March 31, 2021 (In ₹ Crore)
Actuarial gain / (loss) on employee benefit plans through OCI		
Opening balance	(16.56)	(18.35)
Change during the year	(5.05)	1.79
Transfer to retained earnings	3.86	-
Closing balance	<u>(17.75)</u>	<u>(16.56)</u>
Statement of profit and loss (retained earnings)		
Opening balance	(1,485.93)	(1,205.37)
Profit/(loss) for the year	(218.25)	(279.60)
Appropriations		
Transferred to reserve for molasses storage tanks	(0.93)	(0.96)
Transferred from Remeasurement of defined employee benefits	(3.86)	-
Closing balance	<u>(1,708.97)</u>	<u>(1,485.93)</u>
	<u>2,752.94</u>	<u>2,830.84</u>

Nature and description of reserve:

- Capital Redemption Reserve: Whenever the Company redeems its preference shares or buys its own shares which reduces its share capital, then capital redemption reserve is created by face value of its shares.
- Securities Premium: The amount received in excess of face value of the equity shares is recognised in Securities Premium.
- General Reserve: General Reserve was created by transferring a portion of the net profit of the Company as per the requirements of the Companies Act, 2013.
- Molasses Storage Reserve Fund is created as per provisions under Molasses Control (Regulation of Fund and Erection of Storage Facilities) Order, 1976.
- Retained Earnings: Remaining portion of profits earned or accumulated losses by the Company till date after appropriations.
- Remeasurements of defined benefit liability (asset) comprises actuarial gains and losses and return on plan assets (excluding interest income).
- Gain / (loss) on Investment through FVOCI represents the cumulative gains and losses arising on the revaluation of equity and debt instruments measured at fair value through other comprehensive income that have been recognised in other comprehensive income, net of amounts reclassified to profit or loss when such assets are disposed of and impairment losses on such instruments, if any

19 Non-current borrowings**(At amortised cost)****From banks**

Secured Debentures (refer note 19.2)	3,483.25	3,483.25
Secured Term Loan	752.47	1,187.18
	<u>4,235.72</u>	<u>4,670.43</u>

From related parties

Unsecured	8.10	131.89
	<u>8.10</u>	<u>131.89</u>
	<u>4,243.82</u>	<u>4,802.32</u>

19.1 Movement in loan from promoters

Loan from promoters as at 31.03.2021	131.89
Movement during the year	
Add: Non-cash interest added during the year	4.61
Add: Amount transferred from equity component of compound financial instruments	62.56
Less: Loan converted to equity	(190.96)
Total	<u>(123.79)</u>
Loan from promoters as at 31.03.2022	8.10

- 19.2 34,83,24,626 Unlisted, Unrated, Redeemable, Optionally Convertible Debentures (Series 1/ 2017-18) of ₹ 100/- each issued on Preferential basis to the lenders in accordance with S4A Scheme on December 18, 2017. Debentures are to be redeemed in 13 equal annual instalments starting from March 31, 2025. The coupon rate for year 1 & 2 is 0.01% p.a., for year 3 & 4 is 1.00% p.a. and thereafter 2.50% p.a., payable annually on the last date of every financial year. The redemption premium is payable on redemption of debentures to be decided by lenders at going weighted average interest cost so that there is no NPV loss to the lenders. On occurrence of event of default, lenders have the right to convert all outstanding debentures into equity shares at the conversion price to be determined in accordance with guidelines of RBI. "

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

(In ₹ Crore)

Name of banks/ financial institutions	Interest (%)	Outstanding as at March 31, 2022	Maturity profile					Refer Note No.
			Current Maturities (0-1 Year)	2nd Year	3rd Year	4th Year	Beyond 4 Years	
From banks								
Term loans secured	10.15% to 10.30%	1,295.48	543.01	434.41	318.06	-	0.00	19.4
Total - Secured		1,295.48	543.01	434.41	318.06	-	0.00	
Term loans (Unsecured)								
From related parties								
Loan from promoters - 1		6.08	-	-	-	-	6.08	19.5(i)
Loan from promoters - 2		2.02	-	-	-	-	2.02	19.5(ii)
Total - From related parties		8.10	-	-	-	-	8.10	
Total - Unsecured		8.10	-	-	-	-	8.10	
Grand Total		1,303.58	543.01	434.41	318.06	-	8.10	-

19.4 Details of securities

Term Loans and debentures from Banks are secured on first pari passu charge basis, by way of mortgage / hypothecation over all immovable and movable property plant and equipment (both present and future) of the Company, and first pari-passu charge by way of hypothecation over all current assets (both present & future) of the Company. The said loans are further secured by personal guarantee of Chairman (Promoter) and corporate guarantee by a promoter group company, pledge of entire shares held by the Promoters of the Company in BHSL, 21,82,870 equity shares of LPGCL held by the Company and 3,63,00,011 equity shares of Bajaj Energy Ltd. held by promoters group company. All the charges have been created and filed with ROC and there is no charges or satisfaction yet to be registered with ROC beyond the statutory period.

19.5 Loan from promoters

- (i) As per terms of restructuring approved by lenders, the promoters are required to bring promoter contribution amounting to ₹ 200 crore in phased manner till September 2015 in the form of equity capital/preference capital/unsecured loan/other similar instruments. An amount of ₹ 200 crore has been brought by promoters as unsecured loan within stipulated period. Interest, if any, payable shall be determined after the restructuring period is completed. Presently, said amount is treated as unsecured loan with the option to convert into equity / preference or any other similar instrument. As per Ind AS 32, contribution amount received is classified as compound instrument bifurcated into ₹ 64.22 crore as debt and ₹ 135.78 crore as other equity by discounting the amount @12% p.a. for a tenure of 10 years. The unwinding of discount in subsequent periods on loan component is recognised in the statement of profit and loss.
- (ii) As per the approved restructuring of loan under S4A Scheme, promoter/promoters group has transferred 11,99,87,344 equity shares of ₹ 1/- per equity share to lenders as per overseeing committee recommendation as part payment of unsustainable debt. Consequently, the consideration amount of ₹ 11,99,87,344 is accounted as unsecured loan from promoters and as per Ind AS 32, said amount due to promoters is treated as compound financial instrument and bifurcated into other equity of ₹ 10.76 crore and ₹ 1.24 crore by discounting the amount @12% pa for a tenure of 20 years.

(iii) During the year, as per request of the Promoters, consortium of lenders granted their approval for the conversion of loan mentioned above in 19.4 (i) into equity shares of the Company. Pursuant to the approval of the shareholders of the Company at the extra ordinary general meeting held on July 15, 2021, the board of directors at its meeting held on July 20, 2021, has allotted, 14,38,00,000 equity shares at a price of ₹ 13.28 per share (including premium of ₹ 12.28 per share) to promoters / promoter group entity aggregating to ₹ 190,96,64,000 on conversion of aforesaid loan.

Consequent to the allotment of the equity shares as aforesaid, the paid up equity share capital of the Company stands increased from the present ₹ 113,35,59,942/-, divided into 113,35,59,942 equity shares of ₹ 1/- each, to ₹ 127,73,59,942/-, divided into 127,73,59,942 equity share of ₹ 1/- each. Shareholding of promoters / promoter group increased from 15.43% to 24.95%

19.6 Deferment and moratorium

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

19.7 a) The principal of ₹ 108.60 crore was outstanding towards the instalment for March 2022 as on 31.03.2022, out of this ₹ 49.52 crore has been paid till May 10, 2022

Details of delays and defaults in payment of financial obligations

Amount falling due during FY 2021-22

Name of institutions	Principal				Interest			
	No. of Days - Range		Amount (₹ in Crore) - Range		No of Days - Range		Amount (₹ in Crore) - Range	
	Min	Max	Min	Max	Min	Max	Min	Max
Bank of Baroda	6	70	0.07	1.73	1	33	0.00	0.24
Bank of India	6	40	0.04	1.77	7	33	0.00	0.23
Bank of Maharashtra	2	67	0.20	4.35	1	35	0.01	0.60
Canara Bank	2	69	0.08	2.35	1	34	0.01	0.59
Central Bank of India	8	70	0.21	3.00	1	34	0.01	0.77
IDBI Ltd	1	74	0.16	3.17	1	30	0.00	0.62
Indian Overseas Bank	8	40	0.06	2.62	1	18	0.00	0.31
Punjab National Bank	6	78	0.15	4.60	2	33	0.00	1.68
Union Bank of India	5	70	0.07	2.24	1	33	0.01	0.31
UCO Bank	2	47	0.54	3.90	1	34	0.01	0.54
Indian Bank	6	80	0.09	3.48	1	35	0.02	1.19
State Bank of India	20	74	0.06	12.00	-	-	-	-

Due to above default as per MRA, lenders have acquired the right to convert Optionally Convertible Debenture (OCD) into equity shares of the Company.

b) Details of interest on OCD (Optionally Convertible Debentures)

(In ₹ Crore)

Name of institutions	Interest on Debentures		
	Coupon Rate interest @2.50%, on OCD	TDS @10%	Net Payable
Indian Bank	9.17	0.92	8.25
Bank of Baroda	2.22	0.22	2.00
Bank of India	1.31	0.13	1.18
Bank of Maharashtra	6.54	0.65	5.89
Canara Bank	4.45	0.45	4.00

(In ₹ Crore)

Name of institutions	Interest on Debentures		
	Coupon Rate interest @2.50%, on OCD	TDS @10%	Net Payable
Union Bank of India	3.47	0.35	3.12
IDBI Bank Ltd	6.39	0.64	5.75
Indian Overseas Bank	1.98	0.20	1.78
Punjab National Bank	19.96	2.00	17.96
State Bank of India	21.52	2.15	19.37
UCO Bank	2.89	0.28	2.61
Total	87.08	8.71	78.37

The debts of the Company, got restructured in Dec 2017, under Scheme for Sustainable Structuring of Stressed Assets (S4A). Part of the debt, assigned as unsustainable debt, and converted into Optionally Convertible Debentures (OCD), of ₹ 3,483.25 crore, issued to respective lender banks. The Company has not paid coupon interest @ 2.50% on OCDs for FY 2021-22, due on March 31, 2022. The applicable TDS has been deposited accordingly. The matter is under discussion with the consortium of lenders, same may be taken up in any of proposed resolution plans in concurrence with the lenders.

- 19.8 The Company has a sanctioned working capital limit from the consortium of 11 banks; State Bank of India is the lead bank. During the current and previous year, the Company has not utilised working capital limit at all due to inadequate drawing power (DP). Below is the comparison of books and quarterly stock statement and reasons of difference:

(In ₹ crore)

Quarter	Name of The Bank	Amount as per books of accounts	Amount as reported in quarterly return / statement	Amount of difference	Reason of material differences
	State Bank of India (lead bank in consortium)*				
Jun-21	Stock value	1,815.17	1,892.22	(77.05)	1
	Debtors	214.98	121.08	93.90	2
	Creditors	3,975.63	3,911.55	64.08	3
Sep-21	Stock value	681.07	690.16	(9.09)	1
	Debtors	130.96	89.53	41.43	2
	Creditors	2,920.23	2,883.56	36.67	3
Dec-21	Stock value	1,205.16	1,121.49	83.67	1
	Debtors	211.46	148.75	62.71	2
	Creditors	3,596.17	3,084.40	511.77	3 & 4
Mar-22	Stock value	2,745.56	2,635.69	109.87	1
	Debtors	213.87	154.32	59.55	2
	Creditors	4,092.25	3,848.92	243.33	3 & 4

The working capital has been sanctioned by consortium of 11 banks. State Bank of India (SBI) is the lead bank.

During the current year and previous year, the Company has not availed any facility against the sanctioned working capital due to inadequate Drawing Power ("DP").

The stock statement are submitted with the lead bank as per terms and conditions envisaged in the sanction letter of the bank.

Refer no. 19 (4) for security provided to bank

- 1 a) In stock statement, stock of finished goods is valued at average price of last three months or current market price which is lower. While in the financial statements, stock is valued at NRV (net realisable value) or COP (Cost of production) whichever is lower.

b) In stock statement, work-in-progress, raw material stock, bagasse and banked power are not included.

During sugar season (November to March), in the stock statements of Dec'21 & March 22, it can be viewed that value of stock in the books is higher due to consideration of WIP of Sugar and Molasses while the same was not considered in Stock Statement.

- 2 DP against debtors is computed on debtors ageing within 60 days and excluding outstanding against the related parties.
- 3 In stock statement, advance to vendors are reduced from the total creditors while in the financial statements advance to vendors are grouped in current assets (other receivables).
- 4 While submitting the cane liabilities to Bank, we consider cane dues only up to the period 14 days before the reporting date as reported to Government Cane Authorities (Cane Commissioner); while in books outstanding cane due appear as on date. Hence, cane liabilities in stock statement submitted is lower.

	As at March 31, 2022 (In ₹ Crore)	As at March 31, 2021 (In ₹ Crore)
20 Non-current financial liabilities		
Lease liabilities	2.46	4.84
	<u>2.46</u>	<u>4.84</u>
21 Non-current provisions		
Provisions for employee benefits		
Gratuity	56.85	46.13
Leave encashment	32.65	30.45
	<u>89.50</u>	<u>76.58</u>

	As at April 01, 2021	During the Year	As at March 31, 2022 (In ₹ Crore)
22 Deferred tax statements:			
Deferred tax liabilities			
Property, plant and equipment	727.94	(181.34)	546.60
Fair valuation of property, plant and equipment	787.68	(4.11)	783.57
	<u>1,515.62</u>	<u>(185.45)</u>	<u>1,330.17</u>
Deferred tax assets:			
Provision for employee benefits	28.95	5.46	34.41
Provision for doubtful debts/advances	29.17	(7.26)	21.91
Fair valuation of investments	196.74	81.20	277.94
Carry forward losses and unabsorbed depreciation*	669.82	(179.54)	490.28
	<u>924.68</u>	<u>(100.14)</u>	<u>824.54</u>
Deferred tax liabilities/ (assets) (net)	<u>590.94</u>	<u>(85.31)</u>	<u>505.63</u>

*Deferred tax assets on carry forward losses and unabsorbed depreciation is ₹ 1,069.85 crore. However, it is recognised to the extent of deferred tax liabilities other than arising on fair valuation of PPE and Investment on conservative basis.

**Pursuant to the Taxation Laws (Amendment) Act, 2019, domestic companies have an option to pay corporate income tax at a concessional rate of 25.17% including surcharge and cess (new tax rate), subject to certain conditions, w.e.f. financial year commencing from April 1, 2019 and thereafter. If the said option is chosen, the Company will be exempted from the provisions of Minimum Alternate Tax under section 115JB of Income Tax Act 1961; however, the Company will have to forego certain prescribed incentives/ deductions. The Company can choose such option for any year starting from FY 2019-20 or any subsequent year. However, once the said option of paying tax under the new tax rate is chosen, the Company cannot withdraw and go back to the old rates of tax. As at March 31, 2022, the Company has made an evaluation of the impact of the aforesaid option and decided not to opt for the new tax rate for FY 2021-22. Accordingly, the Company will continue to be governed under the existing tax regime. The Company will re-assess the impact of said option in subsequent financial year and take an appropriate decision for the said years at relevant point in time."

22 (a) Tax expense recognised in the Statement of Profit and Loss and OCI**(In ₹ Crore)**

	Year ended March 31, 2022	Year ended March 31, 2021
Current tax		
Current year	-	-
Total Current Tax	-	-
Deferred tax		
Origination and reversal of temporary difference through profit and loss	4.11	3.08
Origination and reversal of temporary difference through other comprehensive income	81.20	16.05
Total deferred income tax expense/(credit)	85.31	19.13
Tax relating to earlier year	-	-
Total income tax expense/(credit)	(85.31)	(19.13)

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

(In ₹ Crore)

Reconciliation of effective tax rate	Year ended March 31, 2022	Year ended March 31, 2021
Profit before Tax	(222.36)	(282.68)
Enacted income tax rate in India	31.20%	31.20%
Income tax expenses as per enacted rate	(69.38)	(88.20)
Differences due to:		
Income / Expenses not considered for tax purpose	(15.93)	69.07
Others	-	-
Total	(85.31)	(19.13)
Effective Tax Rate	38.37%	6.77%

22 (c) The movement in deferred tax assets and liabilities during the year ended March 31, 2021 and March 31, 2022:

(In ₹ Crore)

Particular	As at April 1, 2020	Credit/ (charge) in state- ment of Profit and Loss	Credit / (charge) in Other Compre- hensive Income	As at March 31, 2021	Credit / (charge) in state- ment of Profit and Loss	Credit / (charge) in Other Compre- hensive Income	As at March 31, 2022
Deferred tax assets/(liabilities)							
Property, plant and equipment	(727.20)	(0.74)	-	(727.94)	181.34	-	(546.60)
Fair valuation of property, plant and equipment	(790.76)	3.08	-	(787.68)	4.11	-	(783.57)
Provision for employee benefits	25.83	3.12	-	28.95	5.46	-	34.41
Provision for doubtful debts/ advances	27.20	1.97	-	29.17	(7.26)	-	21.91
Fair valuation of investments	180.69	-	16.05	196.74	-	81.20	277.94
Carry forward losses and unabsorbed depreciation	674.17	(4.35)	-	669.82	(179.54)	-	490.28
Total	(610.07)	3.08	16.05	(590.94)	4.11	81.20	(505.63)

	As at March 31, 2022 (In ₹ Crore)	As at March 31, 2021 (In ₹ Crore)
23 Other non-current liabilities		
Deposits from agents/customers/vendors	22.00	35.84
	<u>22.00</u>	<u>35.84</u>
24 Current borrowings		
(At amortised cost)		
From banks		
Secured		
Current maturities of long-term borrowings (refer note 19.3 & 19.4)	543.01	579.09
	<u>543.01</u>	<u>579.09</u>
25 Current financial liabilities		
Lease liabilities	2.38	2.43
	<u>2.38</u>	<u>2.43</u>
26 Trade payables		
Micro and small enterprises	0.28	19.72
Others	4,091.97	4,440.20
	<u>4,092.25</u>	<u>4,459.92</u>

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	0.28	19.72
– Interest	-	-

The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)

The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	0.29
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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	-	-
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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.

26.01 Trade Payables ageing schedule

Particulars	Outstanding for following periods from due date of payment				Total
	< 1 year	1 - 2 years	2 - 3 years	> 3 years	
(i) MSME	0.28	-	-	-	0.28
(ii) Others	4,018.86	65.50	3.46	4.15	4,091.97
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	4,019.14	65.50	3.46	4.15	4,092.25

As at March 31, 2021					(In ₹ Crore)
Particulars	Outstanding for following periods from due date of payment				Total
	< 1 year	1 - 2 years	2 - 3 years	> 3 years	
(i) MSME	19.72	-	-	-	19.72
(ii) Others	4,432.06	4.36	1.05	2.73	4,440.20
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	4,451.78	4.36	1.05	2.73	4,459.92

	As at March 31, 2022 (In ₹ Crore)	As at March 31, 2021 (In ₹ Crore)
27 Other financial liabilities		
Interest accrued and due on borrowings	0.92	15.24
Interest accrued and due on debentures*	78.37	-
Unclaimed dividends (C.Y. and P.Y. ₹ 2,640) #	0.00	0.00
	<u>79.29</u>	<u>15.24</u>
# These figures do not include any amount due and outstanding to be credited to Investor Education and Protection Fund.		
* Interest of ₹ 78.37 crore (P.Y. ₹ Nil) on debenture is due for payment as on the balance sheet date.		
28 Other current liabilities		
Other payables*	1,131.74	154.77
	<u>1,131.74</u>	<u>154.77</u>
*Includes statutory dues, advances from customer, other liabilities and ₹ 1,000 crore received from Uttar Pradesh Power Corporation Ltd through Cane Commissioner Uttar Pradesh by operation of Law.		
29 Current provisions		
Provisions for employee benefits		
Gratuity	14.89	11.70
Leave encashment	5.89	4.49
	<u>20.78</u>	<u>16.19</u>
30 Revenue from operations		
Sale of products	5,486.02	6,555.13
Other operating revenues	83.07	116.54
	<u>5,569.09</u>	<u>6,671.67</u>
30.1 Particulars of sale of products		
Sugar	4,453.62	5,930.57
Alcohol	932.05	397.00
Power	46.12	58.54
By products	54.13	168.60
Others	0.10	0.42
	<u>5,486.02</u>	<u>6,555.13</u>
30.2 Particulars of other operating revenues		
Duty drawback and other export incentives	0.03	0.04
Sale of export licences	8.48	50.48
Sale of scrap	13.76	5.05
Others	60.80	60.97
	<u>83.07</u>	<u>116.54</u>

	Year ended March 31, 2022 (In ₹ Crore)	Year ended March 31, 2021 (In ₹ Crore)
31 Other income		
Profit on sale of property plant and equipment	0.04	-
Other non-operating income	20.35	15.64
Interest income *	0.74	0.89
	<u>21.13</u>	<u>16.53</u>
*On the principle of conservatism and prudence, the Company has not recognised interest income of ₹ 145.61 crore (P.Y. ₹ 145.61 crore) for year ended on March 31, 2022, on loans and advances; as and when it is recoverable it will be recognised in the books.		
32 Cost of materials consumed		
Opening stock	8.33	4.37
Purchases	4,607.82	5,301.28
	<u>4,616.15</u>	<u>5,305.65</u>
Less: Closing stock	6.22	8.33
Cost of raw material consumed	<u>4,609.93</u>	<u>5,297.32</u>
33 Changes in Inventories of finished goods, by-products and work-in-progress		
Opening stock		
Finished goods	2,093.28	2,398.39
By-products	301.78	154.00
Work-in-process	25.79	61.77
	<u>2,420.85</u>	<u>2,614.16</u>
Less: Closing stock		
Finished goods*	2,184.00	2,093.28
By-products	412.45	301.78
Work-in-process	34.07	25.79
	<u>2,630.52</u>	<u>2,420.85</u>
	<u>(209.67)</u>	<u>193.31</u>
*Includes ₹ 154.75 crore (P.Y. ₹ 60.92 crore) towards the write down of inventories.		
34 Employee benefits expense		
Salaries & wages	308.36	296.71
Gratuity expenses (refer note 34.1)	10.45	9.41
Contributions to provident and other funds	21.85	20.29
Employees' welfare expenses	1.65	1.58
	<u>342.31</u>	<u>327.99</u>

34.1 Defined benefit plan

Liability for employee benefits (Gratuity) has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in Ind AS19, the details of which are as hereunder:

	(In ₹ Crore)	
Funded scheme - gratuity Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Liability to be recognised in balance sheet		
Present value of funded obligations	73.80	62.49
Fair value of plan assets	(2.06)	(4.65)
Net liability / (asset)	<u>71.74</u>	<u>57.84</u>
Current (refer note 29)	14.89	11.70
Non-current (refer note 21)	<u>56.85</u>	<u>46.13</u>

	(In ₹ Crore)	
Funded scheme - gratuity	Year ended	Year ended
	March 31, 2022	March 31, 2021
Change in Plan Assets (reconciliation of opening & closing balances)		
Fair value of plan assets at the beginning	4.65	9.82
Expected return on plan assets	0.22	0.49
Actuarial gain / (losses)	(0.08)	(0.01)
Contributions	1.37	0.49
Benefits paid	(4.10)	(6.14)
Fair value of plan assets at the end	<u>2.06</u>	<u>4.65</u>
Actual return on plan assets		
Change in obligation (reconciliation of opening and closing balances)		
Defined benefit obligation at the beginning	62.48	60.57
Current service cost	6.14	5.36
Interest cost	4.31	4.24
Actuarial losses / (gain)	4.97	(1.55)
Benefits paid	(4.10)	(6.14)
Closing obligation	<u>73.80</u>	<u>62.48</u>
Expenditure to be recognised during the year		
Current service cost	6.14	5.36
Interest cost	4.31	4.24
Expected return on plan assets	(0.22)	(0.49)
Total expenses recognised in the statement of profit and loss	<u>10.23</u>	<u>9.11</u>
In Other comprehensive income		
Actuarial (Gain) / Loss - Plan Liabilities	4.97	(1.55)
Actuarial (Gain) / Loss - Return On Plan Assets	0.08	0.01
Net (Income)/ Expense for the period Recognised in OCI	<u>5.05</u>	<u>(1.54)</u>
Investment Details		
Insurance Policies - Amount	2.06	4.65
- %	100%	100%
Assumptions		
Discount rate (per annum)	7.10%	6.90%
Expected rate of return on assets (per annum)	7.10%	6.90%
Salary escalation rate (per annum)	6.00%	6.00%
Sensitivity		
Under base scenario	73.80	62.49
Salary escalation (up by 1%)	79.09	67.12
Salary escalation (down by 1%)	69.05	58.33
Withdrawal rates (up by 1%)	74.07	62.67
Withdrawal rates (down by 1%)	73.50	62.27
Discount rates (up by 1%)	69.23	58.48
Discount rates (down by 1%)	78.95	67.01

This is a defined benefit plan and statutory liability of the Company. The Company has to pay the Gratuity to the employees as per the provisions of The Payment of Gratuity Act 1972 irrespective of the availability of the funds with the Gratuity Fund.

The Gratuity Liability is computed on actuarial valuation basis done at year end using the Project Unit Credit Method is provided for in the books of account and is based on a detailed working done by a certified Actuary. Past service cost is recognised immediately to the extent that the benefits are already vested.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The Company manages Gratuity obligation through Trust. The Company arranges the fund based on the actuarial valuation and requirement of the Trust.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2021-22.

These gratuity plan typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yield at the end of reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Provident fund

The Company's contribution are made to a Employee Provident Fund Trust. 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. The actuary has provided a valuation based on the below provided assumptions and there is no shortfall as at March 31, 2022.

	Year ended March 31, 2022 (In ₹ Crore)	Year ended March 31, 2021 (In ₹ Crore)
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	7.10%	6.90%
Average remaining tenure of the investment portfolio (years)	6.53	6.53
Expected guaranteed interest rate	8.10%	8.50%

34.2 Defined contribution plan

The Company's contribution to defined contribution plan is as below:

Pension fund	9.70	9.41
Employees deposit link insurance	0.60	0.58
Superannuation	0.10	0.09
Total	10.40	10.08

34.3 Share-based payment:

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

Particulars	Year ended March 31, 2022 (In ₹ Crore)	Year ended March 31, 2021 (In ₹ Crore)
35 Finance costs		
Interest expense on:		
Borrowings	151.41	203.27
Notional interest on promoters loan	4.61	14.13
Interest on lease liability	0.71	0.98
Others	6.24	5.25
Debentures	87.08	34.84
Other borrowing costs	3.50	4.62
	<u>253.55</u>	<u>263.09</u>
36 Depreciation and amortisation expense		
Depreciation on property plant and equipment	212.06	212.50
Depreciation on right of use assets	2.57	2.66
	<u>214.63</u>	<u>215.16</u>
37 Other expenses		
Stores, spares, chemicals and consumables	78.22	61.57
Packing materials consumed	62.27	66.60
Cane development materials	46.96	46.43
Power and fuel	19.45	25.86
Rent	2.93	5.76
Rates and taxes	0.72	0.36
Repairs :		
Building	1.91	1.64
Machinery	235.90	330.24
Others	4.25	4.29
	<u>242.06</u>	<u>336.17</u>
Payment to auditors (refer note 37.1)	0.39	0.30
Insurance	14.48	12.49
Selling commission	12.46	15.42
Selling & distribution	48.69	36.69
Directors' fees	0.27	0.19
Loss due to foreign currency fluctuation (net)	0.06	0.06
Provision for doubtful debts	7.16	6.31
Loss on assets sold / scrapped / written off	0.97	0.38
Miscellaneous expenses	64.74	59.42
	<u>601.83</u>	<u>674.01</u>
37.1 Payment to auditors		
For Statutory audit fees	0.32	0.23
For tax audit fees	-	0.02
For certification work	0.07	0.05
	<u>0.39</u>	<u>0.30</u>
38 Other Comprehensive income		
Actuarial gain / (loss) on employee benefit plans	(5.05)	1.79
Gain / (loss) on Investment through FVOCI	(47.90)	(51.44)
Less: Tax on Gain / (loss) on Investment through FVOCI	81.20	16.05
	<u>28.25</u>	<u>(33.60)</u>

Particulars	Year ended March 31, 2022 (In ₹ Crore)	Year ended March 31, 2021 (In ₹ Crore)
39 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	12.16	11.29
(ii) Trade tax matters	57.02	59.01
(iii) Income Tax matters	1.99	-
(iv) Recompense payable (refer note 44(b))	328.03	280.75
(v) Other claims	53.05	40.14
	452.25	391.19
(b) Securities		
The Company has furnished securities on behalf of related party	661.25	661.25
(c) Interest payable on promoters loan (refer note 44 (c) & (d)) is not determinable		
	-	-
(d) Pursuant to the scheme for sustainable structuring of stressed assets (S4A Scheme) for restructuring of certain outstanding debts of the Company [Refer note no. 44 (d) for details], the Company has allotted optionally convertible debentures (OCDs) aggregating to ₹3,483.25 crore to JLF lenders. The OCDs carry a yield to maturity (YTM) at the agreed Yield Rate accruing on an annual basis as a contractual obligation, starting from the allotment date. The said YTM is payable as premium on redemption along with the relevant principal amount on each redemption date [Refer note no. 19.2]. The OCDs provides the lenders an option to exercise the right to convert the outstanding OCDs into the equity shares of the Company at a price in accordance with applicable law (including the ICDR Regulations). Since premium to be paid is contingent on the occurrence of the event of redemption of OCDs, the YTM of ₹ 1,784.12 crore from the date of allotment of OCD till the year end is treated as contingent liability and would be accounted for as finance cost at the time of redemption of respective OCDs.		
(e) All the loans outstanding on balance sheet date have been used for the purpose for which it was taken.		
(II) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances).	1.03	0.22
40 Earnings per share		
(i) Net profit/ (loss) after tax as per statement of profit and loss	(218.25)	(279.60)
(ii) Weighted average number of equity shares used as denominator for calculating basic EPS (crore)	120.11	110.07
(iii) Weighted average number of equity shares used as denominator for calculating diluted EPS (crore)*	120.11	110.07
* Equity shares to be issued on conversion of optionally convertible debentures and on loan from promoters (refer note no. 19.2 and 19.5) are not determinable as on balance sheet date.		
(iv) Basic earnings per share	(1.82)	(2.54)
(v) Diluted earnings per share	(1.82)	(2.54)
(vi) Face value per equity share	₹ 1/-	₹ 1/-

41 Foreign currency exposure that are not hedged by derivative instruments as on March 31, 2022 amounting to SGD 0.24 crore (P.Y. SGD 0.24 crore) in respect of loan given to subsidiary.

42 As per Ind AS 108 - "Operating segment", segment information has been provided under the notes to consolidated financial statements (refer note 42 to the consolidated financial statements).

43 The disclosures in respect of Related Parties as required under Ind AS 24 'Related Party Disclosures' is stated hereinbelow.

a) Details of related parties :-		
	Name of related parties	Description of relationship
A. Subsidiary companies		
1.	Bajaj Aviation Private Ltd.	Wholly-owned subsidiary
2.	Bajaj Power Generation Private Ltd.	Wholly-owned subsidiary
3.	Bajaj Hindusthan (Singapore) Pte. Ltd., Singapore	Wholly-owned subsidiary
4.	PT. Batu Bumi Persada, Indonesia	Step down subsidiary
5.	PT. Jangkar Prima, Indonesia	Step down subsidiary
B. Directors and their relatives		
1.	Mr. Kushagra Bajaj	Chairman
2.	Mr. Ashok Kumar Gupta	Managing Director up to 30.06.2021
3.	Mr. Alok Kumar Vaish	Managing Director w.e.f. 13.08.2021 (Chief Financial Officer up to 12.08.2021)
4.	Mr. Sunil Kumar Ojha	Chief Financial Officer w.e.f. 14.08.2021
5.	Mr. Kausik Adhikari	Company Secretary
6.	Mrs. Roli Vaish	Wife of Mr. Alok Kumar Vaish
7.	Mrs. Pragya Ojha	Wife of Mr. Sunil Kumar Ojha
8.	Mrs. Susmita Adhikari	Wife of Mr. Kausik Adhikari
9.	Mr. Amir Singh Yadav	Director up to 20.10.2021
10.	Mr. Veer Pal Singh	Whole time director from 02.07.2021 to 12.08.2021
11.	Mr. D.K. Shukla	Director
12.	Mr. Ashok Mukand	Director
13.	Mr. Vinod C. Sampat	Director
14.	Mrs. Shalu Bhandari	Director
15.	Mr. Atul Hasmukhrai Mehta	Director
16.	Mr. Ramani Ranjan Mishra	Director w.e.f. 11.11.2021
C. Enterprises over which key management personnel and their relatives are able to exercise significant influence		
1.	Abhitech Developers Pvt. Ltd.	
2.	Anand Engineering Ltd.	
3.	Bajaj Capital Ventures Private Ltd.	
4.	Bajaj Consumer Care Ltd.	
5.	Bajaj Energy Ltd.	
6.	Bajaj International Realty Private Ltd.	
7.	Bajaj Power Ventures Private Ltd.	
8.	Bajaj Resources Private Limited (formerly Bajaj Resources Ltd.)	
9.	Lalitpur Power Generation Company Ltd.	
10.	Lambodar Stocks Private Ltd.	
11.	Shishir Bajaj Family Trust	
12.	SKB Roop Commercial, LLP	

b) Details of related party transactions:

					(In ₹ Crore)
	Transactions	Subsidiaries	Key Management Personnel	Enterprises described in (C) above	Total
I.	Transactions during the year				
	Sale of materials	-	-	-	-
		(-)	(-)	(2.72)	(2.72)
	Rent / lease rent - Income	7.56	-	3.69	11.25
		(7.56)	(-)	(3.63)	(11.19)
	Remuneration	-	2.84	-	2.84
		(-)	(2.39)	(-)	(2.39)
	Gratuity - Expenses	-	1.11	-	1.11
		(-)	(-)	(-)	-
	Retainership Expenses	-	0.11	-	0.11
		(-)	(0.03)	(-)	(0.03)
	Directors' Sitting Fees	-	0.27	-	0.27
		(-)	(0.19)	(-)	(0.19)
	Rent - Expense	-	0.09	4.32	4.41
		(-)	(0.06)	(4.18)	(4.24)
	Business process services - Expense	-	-	2.05	2.05
		(-)	(-)	(2.05)	(2.05)
	Repair & Maintenance - Expense	57.60	-	0.00	57.60
		(-)	(-)	(-)	-
	Provision expenses for doubtful debts	-	-	-	-
		(7.47)	(-)	(0.08)	(7.55)
	Provision for doubtful debts written back	42.27	-	0.17	42.44
		(-)	(-)	(0.76)	(0.76)
	Loans taken repaid	-	110.50	80.47	190.97
		(-)	(-)	(-)	(-)
	Loan given	66.32	-	66.32	132.64
		(-)	(-)	(-)	(-)
	Loan given received back (including interest)	2.50	-	66.32	68.82
		(-)	(-)	(-)	(-)
	Deposit given repaid	-	-	3.11	3.11
		(-)	(-)	(0.64)	(0.64)
II.	Amounts outstanding at Balance Sheet date				
	Loans Taken	-	-	21.03	21.03
		(-)	(110.50)	(101.50)	(212.00)
	Trade payables	-	0.07	6.82	6.89
		(-)	(0.04)	(1.32)	(1.35)
	Investments	97.34	-	770.13	867.47
		(97.34)	(-)	(770.13)	(867.47)
	Provision for diminution in value of investments	5.00	-	-	5.00
		(5.00)	(-)	(-)	(5.00)
	Trade receivable	3.80	-	3.40	7.20
		(53.96)	(-)	(3.66)	(57.62)
	Provision for doubtful debts	0.10	-	0.23	0.33
		(42.37)	(-)	(0.40)	(42.77)
	Advance to vendors	-	-	0.47	0.47
		(-)	(-)	(0.47)	(0.47)

(In ₹ Crore)

	Transactions	Subsidiaries	Key Management Personnel	Enterprises described in (C) above	Total
	Loans given - Secured (Including accrued interest)	1,643.25	-	-	1,643.25
		(1,579.43)	(-)	(-)	(1,579.43)
	Loans given - Unsecured (Including accrued interest)	55.71	-	-	55.71
		(55.71)	(-)	(-)	(55.71)
	Provision for doubtful loans given - unsecured (Including accrued interest)	55.71	-	0.47	56.18
		(55.71)	(-)	(-)	(55.71)
	Deposits given	-	-	1.28	1.28
		(-)	(-)	(4.39)	(4.39)
	Guarantees/ securities given	-	-	661.25	661.25
		(-)	(-)	(661.25)	(661.25)

Notes:

- 1 Related party relationship is as identified by the Company based on the available information.
- 2 No amount has been written off or written back during the year in respect of debts due from or to related parties.
- 3 Sale of Material / Service ₹ 0/- (P.Y. ₹ 44,000) to Lalitpur Power Generation Company Ltd and ₹ 0/- (P. Y. ₹ 2.71 crore) to Bajaj Consumer Care Ltd.
- 4 Rent income ₹ 7.56 crore (P.Y. ₹ 7.56 crore) from Bajaj Aviation Pvt. Ltd, ₹3.41 crore (P.Y. ₹ 3.38 crore) from Bajaj Energy Ltd , ₹ 0.27 crore (P.Y. ₹ 0.24 crore) from Lalitpur Power Generation Company Ltd., ₹ 46,445/- (P.Y. ₹ 45,312/-). from Anand Engineering Ltd.
- 5 Remuneration includes ₹ 0.53 crore (P.Y. ₹ 1.42 crore) to Mr. A.K. Gupta, ₹ 1.14 crore (P.Y. ₹ 0.75 crore) to Mr. Alok Vaish, ₹ 0.75 crore (P.Y. ₹ 0/-) to Mr. Sunil Kumar Ojha, ₹ 0.36 crore (P.Y. ₹ 0.22 crore) to Mr. Kausik Adhikari and ₹ 0.06 crore (P.Y. 0/-) to Mr. Veerpal Singh.
- 6 Gratuity expenses includes ₹ 1.11 crore (P.Y. ₹ 0) to Mr. A.K. Gupta.
- 7 Retainership Expenses includes ₹ 0.11 crore (P.Y. 0.03 crore) to Mrs. Roli Vaish.
- 8 Directors' sitting fees include ₹ 0.01 crore to Mr. Kushagra Bajaj, ₹ 0.06 crore to Mr. D. K. Shukla, ₹ 0.04 crore to Mr. Ashok Mukund ₹ 0.04 crore to Mr. Vinod C. Sampat, ₹ 0.06 crore to Mrs. Shalu Bhandari, ₹ 0.04 crore to Mr. Atul Hasmukhrai Mehta, ₹ 0.02 crore to Mr. Ramani Ranjan Mishra.
- 9 Rent expense includes ₹ 0.94 crore (P.Y. ₹ 0.94 crore) to Bajaj Capital Ventures Pvt. Ltd, ₹ 2.24 crore (P.Y. ₹ 2.23 crore) to Shishir Bajaj Family Trust, ₹ 1.14 crore (P.Y. ₹ 1.01 crore) to Bajaj Resources Ltd, ₹ 0.04 crore (P.Y. ₹ 0.03 crore) to Mrs. Roli Vaish, ₹ 0.02 crore (P.Y. ₹ 0/-) to Mrs. Pragya Ojha, ₹ 0.03 crore (P.Y. ₹ 0.03 crore) to Mrs. Susmita Adhikari.
- 10 Business process services includes ₹ 2.05 crore (P.Y. 2.05 crore) to Abhitech Developers Pvt. Ltd.
- 11 Repair & Maintenance Expenses includes ₹ 44,510 (P.Y. ₹ 0/-) to Bajaj Energy Ltd and ₹ 57.60 crore to Bajaj Aviation Pvt Ltd.
- 12 Provision expenses for doubtful debts includes ₹ 0/- crore (P.Y. ₹ 7.47 crore) for Bajaj Aviation Private Limited, ₹ 0/- crore (P.Y. ₹ 0.08 crore) for Lalitpur Power Generation Company Limited,
- 13 Provision expenses for doubtful debts written back includes ₹ 42.27 crore (P.Y. ₹ 0/- crore) for Bajaj Aviation Private Limited, ₹ 0.08 crore (P.Y. ₹ 0.76 crore) for Bajaj Energy Limited, ₹ 0.09 crore (P.Y. ₹ 0/-) for Lalitpur Power Generation Company Limited, ₹ 0/- crore (P.Y. ₹ 227 crore) for Anand Engineering Ltd.
- 14 Loan taken repaid includes ₹ 110.50 crore (P.Y. 0/-) to Mr. Kushagra Bajaj and ₹ 80.47 crore (P.Y. 0/-) to SKB Roop Commercial LLP.
- 15 Loan given includes ₹ 66.32 crore (P.Y. 0/-) to Bajaj Power Generation Pvt. Ltd, ₹ 66.32 crore (P.Y. 0/-) to Lambodar Stock Pvt Ltd
- 16 Deposit given repaid includes ₹ 3.11 crore (P. Y. ₹ 0.64 crore) to Abhitech Developers Pvt. Ltd.
- 17 Restructured term loan from banks aggregating to ₹ 4,778.73 crore are secured by personal guarantee of Mr. Kushagra Bajaj (Chairman) and corporate guarantee by M/s Bajaj International Realty Private Limited (a promoter group company) and pledge of entire shares held by the promoters of the Company.

- 18 The transactions with related parties are made on terms equivalent to those that prevail in arm's-length transactions. Outstanding balances year-end are unsecured except as stated above and settlement occurs in cash.
- 19 Balance of Investment include ₹ 92.32 crore in 2,70,01,000 (P.Y. 2,70,01,000) Shares of Bajaj Hindusthan (Singapore) Private Ltd., Singapore of S\$ 1/- each, ₹ 0.02 crore in 20,000 (P.Y. 20,000) Shares of Bajaj Power Generation Pvt. Ltd. of ₹10/- each, ₹ 5.00 crore in 50,00,000 (P.Y. 50,00,000) Shares of Bajaj Aviation Private Ltd. of ₹ 10/- each, ₹ 770.13 crore in 1,54,39,900 (P.Y. 1,54,39,900) Shares of Lalitpur Power Generation Company Limited of ₹10/- each
- 20 Outstanding balance of Loans Taken includes ₹4/- crore (P.Y. ₹ 110.50 crore) from Mr. Kushagra Bajaj, ₹ 9.03 crore (P.Y. ₹ 89.50 crore) from SKB Roop Commercial LLP, ₹ 6.50 crore (P.Y. ₹ 6.50 crore) from Shishir Bajaj Family Trust, ₹ 1.39 crore (P.Y. ₹ 1.39 crore) from Anand Engineering Limited, ₹ 4.11 crore (P.Y. ₹ 4.11 crore) from Lambodar Stocks Private Limited.
- 21 Outstanding balance of Trade Payables includes ₹ 0.05 crore (P.Y. ₹ 1.28 crore) of Abhitech Developers Pvt. Ltd., ₹ 1.30 crore (P.Y. ₹ 0.58 crore) of Bajaj Capital Venture Pvt. Ltd., ₹ 4.38 crore (P.Y. ₹ 2.40 crore) of Shishir Bajaj Family Trust, ₹ 1.10 crore (P.Y. ₹ 0.04 crore) of Bajaj Resources Ltd, ₹ 0.02 crore (P.Y. ₹ 0.01 crore) of Mrs. Roli Vaish, ₹ 0.02 crore (P.Y. 0/-) of Mrs. Pragya Ojha, ₹ 0.03 crore (P.Y. ₹ 0.03 crore) of Mrs. Susmita Adhikari.
- 22 Balance of Trade Receivable includes ₹ 12.44 crore (P.Y. ₹ 53.96 crore) to Bajaj Aviation Private Limited, ₹ 3.27 crore (P.Y. ₹ 3.16 crore) to Bajaj Energy Limited, ₹ 0.13 crore (P.Y. ₹ 0.49 crore) to Lalitpur Power Generation Company Limited
- 23 Balance of Advance to vendor includes ₹0.47 crore (P.Y. ₹0.47 crore) to Anand Engineering Limited.
- 24 Balance of Loan given - secured (including accrued interest) include ₹ 1,643.25 crore (P.Y. ₹ 1,579.43 crore) to Bajaj Power Generation Private Limited.
- 25 Balance of Loans given - unsecured (including accrued interest) include ₹ 42.99 crore (P.Y. ₹ 42.99 crore) to Bajaj Aviation Private Limited and ₹ 12.72 crore (P.Y. ₹ 12.72 crore) to Bajaj Hindusthan (Singapore) Pte. Limited.
- 26 Balance of Deposit given include ₹ 0.38 crore (P.Y. ₹ 0.38 crore) to Bajaj Capital Venture Private Limited, ₹ 0.90 crore (P.Y. ₹ 0.90 crore) to Shishir Bajaj Family Trust and ₹ 0/- (P.Y. ₹ 3.11 crore) to Abhitech Developers Private Limited.
- 27 Outstanding balance of Provision for doubtful debts includes ₹ 0.10 crore (P.Y. ₹ 42.37 crore) for Bajaj Aviation Private Limited, ₹ 0.23 crore (P.Y. ₹ 0.31 crore) for Bajaj Energy Limited, ₹ 26,946/- (P.Y. ₹ 0.09 crore) for Lalitpur Power Generation Company Limited.
- 28 Outstanding balance Provision for doubtful loans given - unsecured (Including accrued interest) includes ₹ 42.99 crore (P.Y. ₹ 42.99 crore) for Bajaj Aviation Private Limited and ₹ 12.72 crore (P.Y. ₹ 12.72) crore for Bajaj Hindusthan (Singapore) Private Limited, ₹ 0.47 crore (P.Y. 0/-) for Anand Engineering Limited.
- 44 a) At the request of the Company, the Joint lenders' forum (JLF Lenders) led by State Bank of India has approved the corrective action plan for restructuring of credit facilities on December 03, 2014 under JLF route in accordance with the applicable framework and guidelines issued by Reserve Bank of India. Accordingly, a Master Restructuring Agreement (MRA) has been signed on December 30, 2014 among the Company and JLF lenders, by virtue of which the restructured facilities are governed by the provisions specified in the said MRA. The cut-off date for restructuring under JLF route is July 31, 2014.
- b) The MRA as well as guidelines of Reserve Bank of India issued on debt restructuring under JLF route give a right to the JLF lenders to get recompense of their waivers and sacrifices made as per corrective action plan. The recompense payable by the company is contingent on various factors including improved performance of the company and many other conditions, the outcome of which currently is materially uncertain and hence the proportionate amount payable as recompense is treated as a contingent liability. The aggregate present value of recompense till March 31, 2022 payable to the JLF lenders as per MRA is approximately ₹ 328.03 crore for the company.
- c) As per terms of above restructuring approved by lenders, the Promoters were required to bring promoter contribution amounting to ₹ 200 crore in phased manner till September 2015 in the form of equity capital/preference capital/unsecured loan/other similar instruments. An amount of ₹ 200 crore has been brought by promoters as unsecured loan within stipulated period.
- d) For restructuring of certain outstanding debts of the Company, the Joint lenders' forum (JLF) of the Company adopted the scheme for sustainable structuring of stressed assets (S4A Scheme) with reference date as June 23, 2017, which was approved by the overseeing committee (OC) on November 30, 2017. As per the S4A Scheme, the total fund based debt of ₹ 8,284.59 crore (including

funded interest of ₹ 354.51 crore), were bifurcated in two parts – 57.81% as Part A (Sustainable Debt) amounting to ₹ 4,789.34 crore to be serviced as per existing terms and conditions of these debts and remainder 42.19% as Part B (Unsustainable Debt) amounting to ₹ 3,495.25 crore. While a sum of ₹ 12.00 crore has been adjusted against the consideration payable to Promoters towards transfer of 11,99,87,344 equity shares, at a price of ₹ 1/- per equity share, to JLF lenders and the balance ₹ 3,483.25 crore has been converted into optionally convertible debentures allotted to the JLF lenders. Further, the MFA (Master Framework Agreement) has an observation to recover the outstanding loans and advances, as specified in agreement, in phased manner, but no time line has been stipulated.

Promoter / Promoters' group had transferred 11,99,87,344 (10.59%) equity shares, at ₹ 1/- per equity share, to JLF lenders, resulting in reduction of Promoter holding from 26.02% to 15.43% in accordance with the S4A Scheme.

Now after the issue of fresh share against conversion of debt the Shareholding of promoters / promoter group increased from 15.43% to 24.95%

45 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 6 and 10
- Loan given to subsidiaries are given under note 14
- Loans given to others and guarantees/securities given by the Company as at March 31, 2022 are as under:

(In ₹ Crore)

Sr. No.	Name of the Company	Nature	As at March 31, 2022	As at March 31, 2021
(i)	Ojas Industries Private Ltd.	Loan for business purposes	445.54	511.86
(ii)	Lalitpur Power Generation Company Ltd.	Guarantee/securities given	661.25	661.25

46 Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risks which the entity is exposed to and how it mitigates that risk.

A Credit risk

Credit risk arises from the possibility that counterparty may not be able to settle their obligations as agreed. The Company is exposed to credit risk from trade receivables loan given, advances and deposits with banks. To manage this, the Company periodically assesses the financial reliability of customers, taking into account loan given factors such as credit track record in the market and past dealings with the company for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. Concentrations of credit risk are limited as a result of the company's large and diverse customer base. The Company has also taken advances and security deposits from its customers / agents, which mitigate the credit risk to an extent. The ageing of trade receivable is given below:

(In ₹ Crore)

	Up to 6 months	More than 6 months	Total
As at March 31, 2022	209.71	15.42	225.13
As at March 31, 2021	204.03	68.48	272.51

Following table summarises the change in loss allowances measured using lifetime expected credit loss model. No significant changes in the estimation techniques or assumption were made during the period.

Particulars	(In ₹ Crore)
As at April 01, 2020	47.48
Provided during the year	6.31
Amounts written off	(0.01)
As at March 31, 2021	53.78
Provided during the year	7.16
Reversal of provision	(49.68)
As at March 31, 2022	11.26

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the comparative banks with which loan/term deposits are maintained. Generally, term deposits are maintained with banks with which company has also availed borrowings.

B Liquidity risk

Liquidity risk is the risk that a company may encounter difficulties in meeting its obligations associated with financial liabilities that are settled by delivering cash or other financial assets. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs. The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Particulars	As at March 31, 2022				Total
	Carrying amount	On demand	0-12 months	More than 12 months	
Borrowings	4,786.83	-	543.01	4,243.82	4,786.83
Trade payables	4,092.25	4,092.25	-	-	4,092.25
Other financial liabilities (Includes lease)	84.13	-	84.13	-	84.13
Total	8,963.21	4,092.25	627.14	4,243.82	8,963.21

Particulars	As at March 31, 2021				Total
	Carrying amount	On demand	0-12 months	More than 12 months	
Borrowings	5,381.41	-	579.09	4,802.32	5,381.41
Trade payables	4,459.92	4,459.92	-	-	4,459.92
Other financial liabilities (Includes lease)	22.51	-	22.51	-	22.51
Total	9,863.84	4,459.92	601.60	4,802.32	9,863.84

C Market risk

The Company is exposed to the risk of movements in interest rates, inventory price and foreign currency exchange rates that affects its assets, liabilities and future transactions.

i) Interest rate risk

Fluctuation in fair value or future cash flows of a financial instrument because of changes in market interest rates gives rise to interest rate risk. Almost 100% of the Company's borrowings are linked to SBI base rate of the banks. With all other variables held constant, the following table demonstrates the impact of change in interest rate on borrowing cost on floating rate portion of loans.

Interest rate sensitivity	Increase / Decrease in basis point	Effect on Profit before tax	
		+	-
For year ended March 31, 2022	100	+ / (-)	47.87
For year ended March 31, 2021	100	+ / (-)	53.81

ii) Inventory Price risk

The Company is exposed to the movement in price of principal finished product i.e. sugar & alcohol. Prices of the sugar cane is fixed by government. Generally, sugar production is carried out during sugar cane harvesting period from November to April. Sugar is sold throughout the year which exposes the sugar inventory to the movement in the price. The Company monitors the sugar prices on daily basis and formulates the sales strategy to achieve maximum realisation. The sensitivity analysis of the change in sugar price on the inventory as at year end, other factors remaining constant is given in table below:

Rate sensitivity	Increase / Decrease in sale price	Effect on Profit before tax	
		+	-
For year ended March 31, 2022	₹ 1	+ / (-)	0.64
For year ended March 31, 2021	₹ 1	+ / (-)	0.66

iii) **Foreign exchange risk**

Foreign currency risk arises commercial transactions that recognised assets and liabilities denominated in a currency that is not Company's functional currency (INR). The Company is not exposed to significant foreign exchange risk at the respective reporting dates.

47 Fair value of financial assets and financial liabilities

Financial instruments measured at fair value can be divided into three levels for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3 – Inputs for the asset or liability that are not based on observable market data.

Following methods and assumptions are used to estimate the fair values:

- a) Fair value of cash and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities and short-term borrowings carried at amortised cost is not materially different from its carrying cost largely due to short-term maturities of these financial assets and liabilities.
- b) Financial instruments with fixed and variable interest rate fall within level 2 of the fair value hierarchy and are evaluated by Company based on parameters such as interest rate, credit rating or assessed credit worthiness.
- c) Non-listed shares and other securities fall within level 3 of the fair value hierarchy. Valuation is based on the net asset method.
- d) Fair value of the borrowing items fall within level 2 of the fair value hierarchy and is calculated on the basis of discounted future cash flows.

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

(In ₹ Crore)

Particulars	As at March 31, 2022			
	Carrying amount	Level 1	Level 2	Level 3
Financial Assets at amortised cost				
Trade receivables	213.87	-	-	-
Cash and cash equivalents	47.33	-	-	-
Other bank balances	13.39	-	-	-
Loans - current	2,088.79	-	-	-
Total	2,363.38	-	-	-
Financial assets at fair value through				
Other comprehensive income				
Investments	770.13	-	-	770.13
Total	770.13	-	-	770.13
Borrowings – non current	4,243.82	-	-	-
Borrowing – current	543.01	-	-	-
Trade payables	4,092.25	-	-	-
Leases liabilities	4.84	-	-	-
Other financial liabilities - current	79.29	-	-	-
Total	8,963.21	-	-	-

(In ₹ Crore)

Particulars	As at March 31, 2021			
	Carrying amount	Level 1	Level 2	Level 3
Financial Assets at amortised cost				
Trade receivables	218.73	-	-	-
Cash and cash equivalents	63.00	-	-	-
Other bank balances	12.86	-	-	-
Loans - current	2,091.29	-	-	-
Total	2,385.88	-	-	-

Particulars	As at March 31, 2021			
	Carrying amount	Level 1	Level 2	Level 3
Other comprehensive income				
Investments	818.03	-	-	818.03
Total	818.03	-	-	818.03
Financial liabilities at amortised cost				
Borrowings – non current	4,802.32	-	-	-
Borrowing – current	579.09	-	-	-
Trade payables	4,459.92	-	-	-
Leases liabilities	7.27	-	-	-
Other financial liabilities - current	15.24	-	-	-
Total	9,863.84	-	-	-

During the year ended March 31, 2022 & March 31, 2021 there was no transfers between level 2 and level 3 fair value hierarchy.

Following table shows the reconciliation from the opening balances to the closing balances of the level 3 values.

(In ₹ Crore)	
Balance as on April 1, 2020	869.47
Less: Fair value loss recognised in Other Comprehensive Income	(51.44)
Balance as on March 31, 2021	818.03
Less: Fair value loss recognised in Other Comprehensive Income	(47.90)
Balance as on March 31, 2022	770.13

48 The Company has exposure aggregating to ₹ 1,739.29 crore, in its three wholly-owned subsidiaries and ₹ 503.18 Crore in other companies, aggregating to ₹ 2,242.47 crore, by way of investments, loans, accumulated interest on these loans, and receivables. Management is of the view that sufficient efforts are being undertaken to revive the said subsidiaries in the foreseeable future so as to recover carrying value of the investments, loans, receivables, and the diminution/provisions, if any exists, is only of temporary nature. Further investments made, loans given and receivable due from other companies are also considered good and recoverable / realisable based on the future business plan of these companies, and on-going efforts towards obligation casted on the Company and its promoters to recover the outstanding loans in phased manner and accordingly no provision, other than those already accounted for, has been considered necessary. Auditors have drawn emphasis of matter in their audit report. Further on the basis of principle of conservatism and prudence, the Company has not recognised interest income for the year ended on March 31, 2022, of ₹ 145.61 crore respectively, on inter corporate loans, as and when it is recoverable it will be recognised in the books.

49 The Company has not entered into any transactions with the companies struck off under 248 of the Companies Act 2013 or under section 560 of Companies Act 1956, and does not carry any balance/(s) outstanding to or from any such entity.

50 Information about leases

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

Particulars	(In ₹ Crore)	
	March 31, 2022	March 31, 2021
Short-term leases	2.93	5.76
Total	2.93	5.76

- Cash flow related information

Particulars	(In ₹ Crore)	
	March 31, 2022	March 31, 2021
Total cash outflow in respect of leases in the year	6.07	8.54

3 The undiscounted maturity analysis of lease liability is as follows:

Particulars	(In ₹ crore)				
	Within 1 year	1-2 years	2-3 years	3-4 years	Total
March 31, 2022					
Lease payments	2.38	2.42	0.03	-	4.84
Finance Charge*	0.43	0.15	0.00	-	0.58
March 31, 2021					
Lease payments	2.44	2.38	2.42	0.03	7.28
Finance Charge*	0.71	0.43	0.15	0.00	1.29

*Finance Charges in 2-3 & 3-4 years ₹ 3,313/

For Depreciation charge on right-of-use assets (refer note 36)

For Interest expenses on lease liabilities (refer note 35)

The carrying amount of right-of-use assets at the end of the reporting period (refer note 5 (b))

51 The Company and its erstwhile subsidiary Bajaj Hindusthan Sugar & Industries Limited (BHSIL, merged with the Company in 2010) had made requisite minimum capital investment and established an aggregate of 11 new sugar mills and 4 distillery units and also expanded capacity of sugar mills during the years 2004 to 2008. All those mills were established & commercial production started within the time prescribed under the policy i.e. March 31, 2008. As per the Sugar Industry Promotion Policy, 2004 announced by the Government of Uttar Pradesh, the Company was entitled to various benefits in the form of grant of certain exemptions / incentives as also reimbursements of certain expenses and capital subsidy, available to the eligible entrepreneurs based on the requisite investments in setting up new mills and or on capacity expansion of sugar units in state of U.P. On making the requisite investment within prescribed period of implementation, the "Eligibility Certificate" has already been received for the Company and further procedural instructions have also been issued by the State authorities to field formation through each jurisdictional authority in the respective districts to allow the benefits to the 8 new sugar mills & 3 distilleries on starting their commercial production, however the same is awaited for 3 new sugar mills, 1 distillery and for expansion of 1 mill of erstwhile BHSIL; all the claims have been filed by the company within stipulated time as per the scheme. Till date the Company has also availed & received partial benefits including reimbursement of capital subsidy amount. However, due to an abrupt withdrawal / discontinuation of policy in the year 2007, the balance amount of benefits and the eligibility certificate and procedural instructions to field formation in respect of these 3 new sugar mills and one distillery and further for expansion of one mill of erstwhile subsidiary BHSIL (subsequently merged with the Company) is held up. Consequently, the Current Assets include a sum of ₹ 592.38 crore towards the aforesaid claims under 2004 Policy. Since the authorities started denying the benefits so the Company challenged in the Hon'ble High Court of Allahabad all such denial orders of the Government based on the abrupt withdrawal / discontinuing the policy with effect from 04.06.2007. Basically the withdrawal of the policy w.e.f. 04.06.2007 was a preponing process of date of completion of projects i.e. 31.03.2008 which otherwise was not relevant in the case of the Company since it has already completed the installation and started the commercial production within the prescribed date and became eligible to avail the benefits envisaged. The Hon'ble High Court upheld the stand of the company and held that the withdrawal sugar promotion policy was arbitrary and without the application of mind. The Government of U.P. preferred to file an SLP before the Hon'ble Supreme Court against the orders of the Hon'ble High Court of Allahabad. The Hon'ble Supreme Court turned down the stand of the Government of U.P. and declined to interfere in the order of the Hon'ble High Court vide its order dated 07.03.2018.

Given the series of orders, and finally, from the Hon'ble Supreme Court, the Company again approached the Cane Commissioner of U.P. for release of its claims. The Cane Commissioner vide its letter dates 07.06.2018 asked the company to re-submit the claim papers again in the office of Cane Commissioner. The Company again filed all the complete claim papers in the prescribed formats along with a detailed representation. The Company regularly followed up with the office of Cane Commissioner for settlement of its claims; and because of unreasonable delay in settlement of the Company's claims, the Company filed a contempt petition in the Hon'ble Supreme Court. The Cane Commissioner declined the claim of the company on unfounded grounds. In the contempt petition filed by the Company in Hon'ble Supreme Court, the court expressed the view that the matter involves issues which cannot be determined while exercising contempt jurisdiction.

Hence the petitioner (the Company), may approach the Court having original jurisdiction for the matter. The company has filed the writ petition in the Hon'ble High Court of Allahabad; presently the matter sub-judice in the Hon'ble High Court of Allahabad.

- 52** The Company has evaluated the impact of COVID-19 pandemic on production activities, costs and sales and other business activities. The Company has concluded that the impact of COVID 19 pandemic, is not significant based on the estimates. Due to the nature of the COVID-19 pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods as the situation evolves. All the factors, internal and external known to the Company up to the date of approval of these financial statements has been considered to assess and finalise the carrying amounts of its assets and liabilities.
- 53** The Company is covered under section 135(1) of the Companies Act 2013. The average net profits of the Company during the three immediately preceding years is negative, accordingly CSR spending as mentioned in Section 135(5) is not applicable to the Company for the year 2021-22.
- 54** For the year ended March 31, 2022, and in earlier years, the Company had incurred losses resulting in the reduction of net worth to such extent. The losses were mainly attributable to high raw material (i.e., sugarcane prices) and other inputs costs, relatively lower realisation of sugar, higher depreciation and finance expenses. Market forces determine sugar prices based on the demand-supply situation and other market dynamics, which are external factors, and the sugar prices have been relatively lower over the years due to higher production of sugar in the country.

The Company is continuously striving to improve its operational efficiency and operating parameters by way of improvement in sugar recovery, increase in production of alcohol/ ethanol by using B-heavy molasses, reduction of overheads, finance, other costs and monetisation of certain non-core assets etc.

The debt restructuring as per RBI's S4A Scheme has somewhat improved the Company's liquidity position. However, keeping in view the status of outstanding cane dues and funds for servicing debt obligations, the Company is further discussing with the lenders a debt resolution plan to have a lasting solution to improve its liquidity. The resolution plan envisages reduction of its overall debt, realignment of its capital structure, payment of cane dues of farmers, increasing cane availability and supply etc. The Company is also exploring/evaluating various options for corporate restructuring to streamline the business and enhance the Company's value.

The Government has also taken various measures to improve the financial health of the sugar industry in recent past, like MIEQ, buffer stock subsidy, fixing MSP for sugar; increased ethanol prices etc. Presently, the Government has put a great thrust on promoting ethanol production and has planned to increase the ethanol blending in petrol up to 20% by 2025. Ethanol will turn around the economic dynamics of the sugar industry positively. All these measures are expected to turn around the operations of the sugar industry on a sustainable basis. The Company also expects to receive accrued benefits under the Sugar Industries Promotion policy 2004 for which it is entitled, but presently, the matter is sub-judice.

The management expects to generate positive cash flow from operation in view of the above. Accordingly, the financial results are presented on a going concern basis, which contemplates the realisation of assets and settlement of liabilities in the ordinary course of business. This matter has been referred by auditors in their audit report.

55 Capital Management

There has not been any change in its objectives, policies and processes for managing capital from previous year. The Company is not subject to any externally imposed capital requirements.

	(In ₹ Crore)		
	March 31, 2022	March 31, 2021	Change in %
Total equity attributable to equity shareholders	2,877.39	2,940.91	(2.16)
Borrowings	4,786.83	5,381.41	(11.05)
Total Capital (equity + debts)	7,664.22	8,322.32	(7.91)
Total equity attributable to equity shareholders as percentage of Total Capital	38%	35%	
Total Borrowing as percentage of Total Capital	62%	65%	

56 Ratios

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Sr. No.	Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% Variance
1	Current Ratio	Current Assets	Current Liabilities	1.12	1.22	-8.37%
2	Debt-Equity Ratio	Total Debt*	Shareholder's Equity	1.66	1.83	-9.09%
3	Debt-Service Coverage Ratio (DSCR)	Earnings available for debt service**	Debt repayment and interest payment during current year	0.37	0.46	-19.42%
4	Return on Equity Ratio (ROE)	Net profit / (loss) after taxes	Average shareholder's equity	(7.50)	(9.03)	-16.89%
5	Inventory Turnover Ratio	Sales	Average inventory	2.17	2.60	-16.58%
6	Trade Receivable Turnover Ratio	Sales	Average trade receivables	25.36	33.45	-24.18%
7	Trade Payables Turnover Ratio	Purchase of material, services and other expenses (as per P&L)	Average trade payables	1.22	1.34	-9.27%
8	Net Capital Turnover Ratio	Sales	Average net working capital	5.97	4.65	28.38%
9	Net Profit Ratio	Net profit / (loss) before taxes	Sales	-4.05%	-4.31%	-6.01%
10	Return on Capital Employed (ROCE)	Earning before interest and taxes (EBIT)	Capital employed***	0.40%	-0.23%	-273.83%
11	Return on Investment			N/a	N/a	N/a

*Total Debt excludes lease liability

**Earnings available for debt service=Net profit before tax+Interest+Depreciation+Non cash adjustments+Loss on sales of assets

***Capital employed=Total Assets - current liabilities

Note

- 1 Net Capital Turnover Ratio: Due to lower sugarcane crushing, the sales in FY 22 was lower as compared to FY 21. Hence net capital turnover ratio has increased by 28.38%
- 2 Return on Capital Employed (ROCE): ROCE improved from (0.23%) in FY 21 to 0.40% in FY 22. Previous year EBIT (Earnings before Interest and Tax) was negative while in current year EBIT is ₹ 31.19 crore. Hence there is increase in ROCE.
- 3 Return on Investment: All the investments are strategic investments in subsidiaries, group companies and other entities.

57 The financial statements were approved for issue by the Board of Directors, at its meeting held on May 20, 2022.

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

Signature to Notes "1" to "58".

As per our Report of even date

For Sidharth N Jain & Company
Firm Registration No.018311C
Chartered Accountants

Sidharth Jain
Proprietor
Membership No. 134684
Lucknow

Sunil Kumar Ojha
Chief Financial Officer
M. No. ACA 400837

Kausik Adhikari
Company Secretary
M. No. ACS 18556

Atul Hasmukhrai Mehta
Director
DIN 00112451

D.K. Shukla
Director
DIN 00025409

For and on behalf of the Board

Kushagra Bajaj
Chairman
DIN 00017575

Ajay Kumar Sharma
Managing Director
DIN 09607745

Vinod C. Sampat
Director
DIN 09024617

Shalu Bhandari
Director
DIN 00012556

Mumbai, May 20, 2022

Independent Auditors' Report

To the Members of Bajaj Hindusthan Sugar Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of Bajaj Hindusthan Sugar Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2022, and the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on standalone financial statements of subsidiaries as audited by other auditors, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group as at March 31, 2022, of consolidated loss (financial performance including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw attention to Note No. 40(I)(d) to the consolidated financial statements, regarding the non-provision of contractual obligation related to premium payable on Optionally Convertible Debentures (OCDs) at the time of redemption of OCDs issued to lenders pursuant to the Scheme for Sustainable Structuring of Stressed Assets (S4A Scheme) which stipulates that the yield to maturity (YTM) being the difference between weighted average interest and coupon rate payable as redemption premium at the time of redemption of OCDs redeemable in 13 equal instalments commencing from the Financial year 2024-25. The Group considers such YTM/redemption premium as contingent liability and has not provided for the same in the books of account for the year ended March 31, 2022 amounting to ₹ 394.00 crore. The aggregate liability for such YTM from the date of allotment of OCDs till year ended March 31, 2022 is ₹1,784.12 crore from date of allotment of OCDs. Had such interest been provided, the reported net loss for the year ended March 2022 would have been ₹ 661.54 crore and net worth of the Group would have been ₹ 474.97 crore.

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

Material Uncertainty Related to Going Concern

As stated in Note No. 52 of the consolidated financial statements, the Group during the last few years had incurred losses due to high raw material and other inputs costs, relatively lower realisation of sugar, higher depreciation and finance expenses. Sugar prices have been relatively lower over the years due to higher production of sugar in the country. All these factors resulted into reduction of net worth of the Holding Company. As at March 31, 2022, the Holding Company has sugar cane dues payable to farmers, outstanding loan instalment for March 2022, unpaid coupon rate interest liabilities towards optionally convertible debentures. The above factors indicate a material uncertainty, which may cast significant doubt about the Holding Company's ability to continue as a going concern.

The Holding Company is continuously striving to improve its operational efficiency and other parameters by way of improvement in sugar recovery, increase in production of alcohol/ethanol by using B-heavy molasses, reduction of overheads, finance, other costs and monetisation of certain non-core assets etc. The debt restructuring as per RBI's S4A Scheme, has somewhat improved the liquidity position of the Holding Company. The Holding Company is further discussing with the lenders a debt resolution plan to have a lasting solution to improve its liquidity. The Group is also exploring/evaluating various options for corporate restructuring to streamline the corporate structure and enhance the Group's value.

The Government has also taken various measures to improve the financial health of sugar industry. All these measures are expected to turn around the operations of sugar industry on sustainable basis. The Holding Company also expects to receive accrued benefits under the Sugar Industries Promotion Policy 2004 for which it is entitled to.

In view of the above, the management expects to generate positive cash flow from operation and accordingly, the consolidated financial statements are continued to be presented on going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business.

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

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

Emphasis of matter

As stated in Note No. 47 to the consolidated financial statements, the Holding Company has exposure aggregating to ₹ 503.18 crore in other company, by way of investments, loans, accumulated interest on these loans and receivables. Management believes that investment made, loan given and receivables due from other company are considered good and recoverable based on the future business plan of this company and on-going efforts towards obligation casted on the Holding Company and its promoters to recover the outstanding loans in phased manner and accordingly no provision other than those already accounted for, has been considered necessary. Further on the basis of principle of conservatism and prudence, the Parent Company has not recognised interest income on inter corporate debts for year ended on March 31, 2022 ₹ 37.51 crore, as and when it is recoverable it will be recognised in the books.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be key audit matters to be communicated in our report.

The Key Audit Matter	How the matter was addressed in our audit
Impairment assessment for Investments, loans and interest on loan and receivables	
<p>The Group has exposure aggregating to ₹ 503.18 crore in other company, by way of investments, loans, accumulated interest on these loans and receivables</p> <p>Such investments / loans / receivables are individually assessed for impairment as per Ind AS 36 - Impairment of Assets.</p>	<p>We focussed on this area due to magnitude of the carrying value of investments, loans, accumulated interest on loan and receivables related to other company, which comprise 3.86% of the total assets as at March 31, 2022 and are subject to annual impairment assessment.</p> <p>Our audit procedures, in respect of testing impairment assessment in case of investments, loans given, interest accrued on loans and receivables included the following:</p>

The Key Audit Matter	How the matter was addressed in our audit
Impairment assessment for Investments, loans and interest on loan and receivables	
	<ul style="list-style-type: none"> - Obtained understanding of the process, evaluated the effectiveness of controls in respect of impairment assessment of investments. - Held discussions with management regarding appropriate implementation of policy on impairment. - Evaluated the future business plan and available valuation report. - Confirmations for above exposure. - Validated the S4A Restructuring Scheme clause related to obligation on the Company to recover the loan amount. - We evaluated the impairment assessment performed by management taking into account the requirements of Ind AS 36 Impairment of Assets.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that

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

Other Matters

- (a) We did not audit the financial statements of one foreign subsidiary, whose financial statements reflect total assets of ₹ 92.29 crore as at March 31, 2022, total revenue ₹ 0.12 crore and net cash outflow of ₹ 0.72 crore for the year on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this foreign subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditors.

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

- (b) We have relied on the unaudited financial statements of two stepdown subsidiaries located outside India, whose financial statements reflect total assets of ₹ 5.39 crore as at March 31, 2022, total revenue of ₹ 0.23 crore and net cash inflows of ₹ 0.01 crore for the year then ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

- With respect to the matters specified in paragraphs 3(xi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report following:

Sr No.	Name	CIN	Holding Company / Subsidiary	Clause number of the CARO report which is qualified or adverse
1	Bajaj Hindusthan Sugar Limited	L15420UP1931PLC065243	Holding Company	(vii), (ix), (xvii), (xviii)
2	Bajaj Aviation Private Limited	U65993MH2005PTC154529	Subsidiary company	(xvii)
3	Bajaj Power Generation Private Limited	U40102UP2006PTC045331	Subsidiary company	(vii), (xvii)

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on standalone financial statements of subsidiaries as audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
- a. We have sought and except for the matter described in Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. Except for the possible effects of the matter described in the Basis of Qualified opinion paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, except for the matter described in Basis for Qualified Opinion section, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules 2016 (as amended).
 - e. The matters described in 'Basis for Qualified Opinion' paragraph and the Going concern matter described under Material Uncertainty related to Going Concern paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.
 - f. On the basis of the written representations received from the directors of the Holding Company and subsidiary companies incorporated in India as on March 31, 2022 and taken on record by the Board of Directors by the Holding Company and subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - g. The reservation relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified opinion paragraph.
 - h. With respect to the adequacy of the internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - i. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:
In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company and its subsidiary companies, where applicable, to its directors during the current year is in accordance with the provisions of Section 197 of the Act read with schedule V of the Act.
 - j. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on standalone financial statements of the subsidiaries as noted in the 'Other Matters' paragraph:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 40 to the consolidated financial statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.
 - iv. (a)The respective Managements of the Holding Company and its subsidiaries which are

companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, other than those disclosed in consolidated financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b)The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, other than those disclosed on consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c)Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Holding Company and its subsidiary companies incorporated in India has not declared or paid dividend during the year hence reporting of compliances of section 123 is not applicable.

For **Sidharth N Jain & Company**
Chartered Accountants
Firm registration number: 018311C

Sd/-
Sidharth Jain
Proprietor
Membership No.: 134684
UDIN: 22134684AJHOEW1121

Place: Lucknow
Date: May 20, 2022

Annexure 'A'**Annexure to the independent auditor's report of even date on the Consolidated financial statements of Bajaj Hindusthan Sugar Limited****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")****Qualified Opinion**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of Bajaj Hindusthan Sugar Limited (hereinafter referred to as "the Holding Company") and its subsidiary company, which are companies incorporated in India, as of that date.

According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at March 31, 2022:

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

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

We have considered material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit for the year ended March 31, 2022, and these material weaknesses affect our opinion on financial statements of the Holding Company for the year ended March 31, 2022.

In our opinion, except for the effects / possible effects of the material weakness described above under Qualified Opinion paragraph on the achievement of the objectives of the control criteria, the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2022, based on the internal financial control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal

financial controls system with reference to consolidated financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

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

Other Matters

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

For **Sidharth N Jain & Company**
Chartered Accountants
Firm registration number: 018311C

Sd/-
Sidharth Jain
Proprietor
Membership No.: 134684
UDIN: 22134684AJHOEW1121

Place: Lucknow
Date: May 20, 2022

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

Particulars	Note No.	As at March 31, 2022 ₹ Crore	As at March 31, 2021 ₹ Crore
ASSETS :			
Non-current assets			
Property, plant and equipment	5	6,800.72	6,986.68
Right of use assets	5	4.21	6.78
Capital work-in-progress	5	8.35	35.24
Other intangible assets	5	0.00	0.00
Financial assets			
Investments	6	-	47.90
Loans	7	0.03	-
Other financial assets	8	13.39	12.87
Other non-current assets	9	138.52	382.11
Sub total		6,965.22	7,471.58
Current assets			
Inventories	10	2,745.56	2,541.34
Financial assets			
Current investments	11	1,918.47	1,036.98
Trade receivables	12	214.30	213.14
Cash and cash equivalents	13	51.73	73.78
Other bank balances	14	0.28	0.27
Loans and interest accrued	15	451.06	1,092.03
Current tax assets (net)	16	15.22	19.59
Other current assets	17	687.90	687.05
Sub total		6,084.52	5,664.18
Total Assets		13,049.74	13,135.76
EQUITY AND LIABILITIES :			
Equity			
Equity share capital	18	124.45	110.07
Other equity	19	2,134.66	2,262.17
Non controlling interest		(0.02)	(0.02)
Sub total		2,259.09	2,372.22
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	20	4,243.82	4,802.32
Lease liabilities	21	2.46	4.84
Provisions	22	89.54	76.58
Deferred tax liabilities	23	505.63	590.94
Other non-current liabilities	24	22.00	35.84
Sub total		4,863.45	5,510.52
Current liabilities			
Financial liabilities			
Borrowings	25	567.97	599.81
Lease liabilities	26	2.38	2.43
Trade payables :-			
total outstanding dues of micro and small enterprises	27	0.30	19.72
total outstanding dues of other than micro and small enterprises	27	4,094.43	4,442.00
Other financial liabilities	28	107.31	15.50
Other current liabilities	29	1,134.03	157.37
Provisions	30	20.78	16.19
Sub total		5,927.20	5,253.02
Total Equity and Liabilities		13,049.74	13,135.76

The accompanying notes "1" to "56" form an integral part of the consolidated financial statements.

As per our Report of even date

For and on behalf of the Board

For Sidharth N Jain & Company
Firm Registration No.018311C
Chartered Accountants

Sunil Kumar Ojha
Chief Financial Officer
M. No. ACA 400837

Kushagra Bajaj
Chairman
DIN 00017575

Sidharth Jain
Proprietor
Membership No. 134684
Lucknow

Kausik Adhikari
Company Secretary
M. No. ACS 18556

Ajay Kumar Sharma
Managing Director
DIN 09607745

Atul Hasmukhrai Mehta
Director
DIN 00112451

Vinod C. Sampat
Director
DIN 09024617

D.K. Shukla
Director
DIN 00025409

Shalu Bhandari
Director
DIN 00012556

Consolidated Statement of Profit & Loss for the year ended March 31, 2022

Particulars	Note No.	Year ended March 31, 2022 ₹ Crore	Year ended March 31, 2021 ₹ Crore
INCOME :			
Revenue from operations	31	5,575.65	6,665.97
Other income	32	31.91	22.59
Total Income		5,607.56	6,688.56
EXPENSES :			
Cost of materials consumed	33	4,609.93	5,297.32
Changes in Inventories of finished goods, stock-in-trade and work-in-progress	34	(209.67)	193.31
Employee benefits expense	35	342.93	328.68
Finance costs	36	253.99	263.52
Depreciation and amortisation expense	37	214.66	215.71
Other expenses	38	661.05	683.73
Total Expenses		5,872.89	6,982.27
Profit/ (Loss) before exceptional items and tax		(265.33)	(293.71)
Exceptional items		6.19	-
Profit/(Loss) before tax		(271.52)	(293.71)
Tax expenses			
Current tax		0.13	-
Deferred tax	23	(4.11)	(3.08)
Tax relating to earlier year		-	0.19
Total tax		(3.98)	(2.89)
Profit / (Loss) for the year after tax		(267.54)	(290.82)
Less: Non-controlling interest - ₹ 16,921/- (P.Y. ₹ 31,742/-)		0.00	(0.00)
Profit / (loss) attributable to group		(267.54)	(290.82)
Other comprehensive income			
Items that will not be reclassified to profit or loss	39	(5.05)	1.79
Items that will be reclassified to profit or loss	39	(48.22)	(51.73)
Income tax on above	39	81.20	16.05
		27.93	(33.89)
Total Comprehensive Income		(239.61)	(324.71)
Profit is attributable to:			
Shareholders		(267.54)	(290.82)
Non-controlling interest		0.00	(0.00)
		(267.54)	(290.82)
Other comprehensive income is attributable to:			
Shareholders		27.93	(33.89)
Non-controlling interest		-	-
		27.93	(33.89)
Total comprehensive income is attributable to:			
Shareholders		(239.61)	(324.71)
Non-controlling interest		0.00	(0.00)
		(239.61)	(324.71)
Earnings per equity share of face value of ₹ 1/- each			
Basic and Diluted	41	(2.23)	(2.64)

The accompanying notes "1" to "56" form an integral part of the consolidated financial statements.

As per our Report of even date

For Sidharth N Jain & Company
Firm Registration No.018311C
Chartered Accountants

Sidharth Jain
Proprietor
Membership No. 134684
Lucknow

Sunil Kumar Ojha
Chief Financial Officer
M. No. ACA 400837

Kausik Adhikari
Company Secretary
M. No. ACS 18556

Atul Hasumukhrai Mehta
Director
DIN 00112451

D.K. Shukla
Director
DIN 00025409

For and on behalf of the Board

Kushagra Bajaj
Chairman
DIN 00017575

Ajay Kumar Sharma
Managing Director
DIN 09607745

Vinod C. Sampat
Director
DIN 09024617

Shalu Bhandari
Director
DIN 00012556

Consolidated Cash Flow statement for the year ended March 31, 2022

Particulars	Year ended March 31, 2022 ₹ Crore	Year ended March 31, 2021 ₹ Crore
A. Cash flow from operating activities:		
Net profit/ (loss) before tax	(271.52)	(293.71)
Adjustment for:		
Depreciation and amortisation	214.66	215.71
Reversal of reserve for molasses storage tank - for repair work	(1.93)	(0.17)
Provision for doubtful Debts / Bad Debts Written off	4.44	(0.09)
Provision for doubtful advances	(0.22)	-
Provision for expenses written back	(13.64)	(0.18)
Rental Income	(11.02)	(10.91)
Loss/ (surplus) on sale of property, plant and equipment (net)	0.93	(4.56)
Finance costs	253.99	263.52
Interest income	(1.30)	(0.99)
Exchange fluctuation reserve on consolidation	(0.32)	(0.29)
	<u>445.59</u>	<u>462.04</u>
Operating profit before working capital changes	174.07	168.33
Adjustment for:		
Trade and other receivables	(10.90)	(60.07)
Inventories	(204.22)	170.05
Trade and other payables	649.74	54.62
Cash generated from operations	608.69	332.93
Direct taxes paid	4.23	(1.24)
Cash flow before exceptional item	612.92	331.69
Exceptional item assets w/o	6.19	-
Net cash from/(used in) operating activities	<u>619.11</u>	<u>331.69</u>
B. Cash flow from investing activities:		
Purchase of property, plant and equipment	(8.60)	(2.54)
Sale of property, plant and equipment	2.25	9.57
Movement in loans and advances (net)	7.45	3.39
Rental Income	11.02	10.91
Interest received	1.03	1.04
Net cash from/(used) in investing activities	<u>13.15</u>	<u>22.37</u>
C. Cash flow from financing activities:		
Repayment of long-term borrowings	(470.79)	(226.48)
Proceeds from short-term borrowings (net of repayments)	4.24	14.32
Interest paid	(184.62)	(169.29)
Payment of lease liability	(3.14)	(2.78)
Dividend paid	-	(0.06)
Net cash from/ (used in) financing activities	<u>(654.31)</u>	<u>(384.29)</u>
Net increase/(decrease) in cash and cash equivalents	(22.05)	(30.23)
Cash and cash equivalents (opening balance)	73.78	104.01
Cash and cash equivalents (closing balance) (refer note 13)	<u>51.73</u>	<u>73.78</u>

Notes:-

- The above cash flow statement has been prepared under the "Indirect Method" as per Indian Accounting Standard (Ind AS)-7.
- Figures in brackets indicate cash outflow and without brackets indicate cash inflow.
- Disclosure of change in liabilities arising from financing, including both change from cash flow and non cash changes are given below:

(In ₹ Crore)

Particulars	As at March 31, 2021	Cash flows*	Non-cash flows	As at March 31, 2022
Borrowings from banks	5,270.24	(466.55)	(0.00)	4,803.69
Loan from promoters (refer note 20.1)*	131.89	-	(123.79)	8.10
Lease liabilities	7.27	(3.14)	0.71	4.84
Interest on borrowings	15.24	(184.62)	248.67	79.29

* Notional interest ₹ 4.61 crore on promoters loan credited to promoter's loan account (refer note 20.5)

The accompanying notes "1" to "56" form an integral part of the consolidated financial statements.

As per our Report of even date

For and on behalf of the Board

For Sidharth N Jain & Company
Firm Registration No.018311C
Chartered Accountants

Sunil Kumar Ojha
Chief Financial Officer
M. No. ACA 400837

Kushagra Bajaj
Chairman
DIN 00017575

Sidharth Jain
Proprietor
Membership No. 134684
Lucknow

Kausik Adhikari
Company Secretary
M. No. ACS 18556

Ajay Kumar Sharma
Managing Director
DIN 09607745

Atul Hasumkhrai Mehta
Director
DIN 00112451

Vinod C. Sampat
Director
DIN 09024617

D.K. Shukla
Director
DIN 00025409

Shalu Bhandari
Director
DIN 00012556

Statement of Change in Equity

A Equity share capital

Particulars	(In ₹ Crore)
Particulars	Amount
Equity share capital	113.36
Less: Investment in BHL Security Trust and ESOP Trust	(3.29)
Equity share capital April 1, 2020	110.07
Change during the year	-
Equity share capital March 31, 2021	110.07
Particulars	Amount
Equity share capital	113.36
Less: Investment in BHL Security Trust and ESOP Trust	(3.29)
Equity share capital April 1, 2021	110.07
Change during the year	14.38
Equity share capital March 31, 2022	124.45

B Other equity

Particulars	Equity component of compound financial instrument	Reserve and surplus						Exchange differences on translating the financial statements of a foreign operation	Gain / (loss) on investment through FVOCI	Total
		Retained earnings	Capital redemption reserve	Securities premium	General reserve	Reserve for molasses storage tanks	Actuarial gain / (loss) on employee benefit plans through OCI			
As at April 01, 2020	146.54	(1,761.70)	0.05	4,185.31	156.05	2.10	(18.35)	(0.83)	122.12	2,587.05
Profit for the year	-	(290.82)	-	-	-	-	-	-	-	(290.82)
Other comprehensive income for the year	-	-	-	-	-	-	1.79	-	(35.39)	(33.60)
Transfer to molasses storage fund	-	(0.96)	-	-	-	0.96	-	-	-	-
Transfer to general reserve from molasses storage fund	-	-	-	-	-	(0.17)	-	-	-	(0.17)
Exchange differences on translating the financial statements of a foreign operation	-	-	-	-	-	-	-	(0.29)	-	(0.29)
As at March 31, 2021	146.54	[2,053.48]	0.05	4,185.31	156.05	2.89	(16.56)	(1.12)	(157.51)	2,262.17
Profit for the year	-	(267.54)	-	-	-	-	-	-	-	(267.54)
Other comprehensive income for the year	-	-	-	-	-	-	(5.05)	-	33.30	28.25
Transfer to molasses storage fund	-	(0.93)	-	-	-	0.93	-	-	-	-
Transferred of Remeasurement of defined employee benefits	-	(3.86)	-	-	-	-	3.86	-	-	-
Premium on issue on equity share	-	-	-	176.59	-	-	-	-	-	176.59
Addition during the year in equity component of compound financial instrument	(62.56)	-	-	-	-	-	-	-	-	(62.56)
Utilisation of fund for maintenance of molasses tanks	-	-	-	-	-	(1.93)	-	-	-	(1.93)
Exchange differences on translating the financial statements of a foreign operation	-	-	-	-	-	-	-	(0.32)	-	(0.32)
As at March 31, 2022	83.98	[2,325.81]	0.05	4,361.90	156.05	1.89	(17.75)	(1.44)	(124.21)	2,134.66

As per our Report of even date

For and on behalf of the Board

For Sidharth N Jain & Company
Firm Registration No.018311C
Chartered Accountants

Sidharth Jain
Proprietor
Membership No. 134684
Lucknow

Sunil Kumar Ojha
Chief Financial Officer
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Ajay Kumar Sharma
Managing Director
DIN 09607745

Vinod C. Sampat
Director
DIN 09024617

Shalu Bhandari
Director
DIN 00012556

Mumbai, May 20, 2022

Notes forming part of consolidated financial statements

1 Corporate information

The consolidated financial statements comprise financial statements of Bajaj Hindusthan Sugar Limited (the Company) and its subsidiaries (collectively the "Group") for the year ended March 31, 2022. Bajaj Hindusthan Sugar Limited ('the Company') is a public limited company incorporated in India under the provisions of the Companies Act and its shares are listed on Bombay Stock Exchange and National Stock Exchange. The registered office of the Company is situated at Golagokarannath, Lakhimpur – Kheri, District Kheri, Uttar Pradesh – 262 802, and its principal place of business is at TC-13, Vibhuti Khand, Gomti Nagar, Lucknow – 226 010. The Company is engaged in the manufacture of sugar, alcohol and generation of power. The consolidated financial statements of the Company are for the year ended March 31, 2022 and are prepared in Indian Rupees being the functional currency. The values in Indian Rupees are rounded to crore, except otherwise indicated.

2 Accounting policies

(i) Basis of preparation and presentation:

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for:

- i. Certain financial assets and liabilities measured at fair value,
- ii. Defined benefit plans - plan assets measured at fair value.

The consolidated financial statements of the Group have been prepared to comply with the Indian Accounting Standards ('Ind AS') notified under Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013

(ii) Principles of consolidation:

- i) The consolidated financial statements of the Group have been prepared on the following basis:
 - The consolidated financial statements of the Group are prepared in accordance with the Indian Accounting Standard - 110 "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 associate has been accounted as per the equity method as prescribed by Ind AS - 28.
 - The excess of cost of investment in the Subsidiary Companies over the Company's portion of equity of the Subsidiary at the date of investment made is recognised in the consolidated financial statements as goodwill. The excess of Company's portion of equity of the Subsidiary over the cost of investment therein is treated as capital reserve.

The financial statements of foreign operation are translated as follows:

- The assets and liabilities are translated at the closing rate.
- Income and expenses items are translated at average rate prevailing during the year.
- All differences are accumulated in a foreign currency translation reserve on consolidation until the disposal of the net investment.
- The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.
- Non controlling interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company. Non controlling interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.

ii) Companies considered in the consolidated financial statements are:

Name of the company	Country of incorporation	Holding as on March 31, 2022	Financial year ends on
Subsidiaries:			
Bajaj Aviation Private Ltd.	India	100.00%	31.03.2022
Bajaj Power Generation Private Ltd.	India	100.00%	31.03.2022
Bajaj Hindusthan (Singapore) Private Ltd.	Singapore	100.00%	31.03.2022
PT. Batu Bumi Persada #	Indonesia	99.00%	31.12.2021
PT. Jangkar Prima #	Indonesia	99.88%	31.12.2021
Associates:			
Bajaj Ebiz Private Ltd. *	India	49.50%	31.03.2022
Esugarindia Ltd.*	India	69.67%	31.03.2022

#Management has compiled the accounts for year ended March 31, 2022, in order to consolidate the accounts with that of the Holding Company.

*The Group has made provision for permanent diminution in the value of its investment in Bajaj Ebiz Private Ltd. (an associate company) and Esugarindia Ltd. (subsidiary of Bajaj Ebiz Private Ltd.). Hence no further adjustment in the value of investment is required to be made in the consolidated financial statement.

Summary of significant accounting policies

(iii) Current and non-current classification:

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- i) expected to be realised or intended to be sold or consumed in normal operating cycle,
- ii) held primarily for the purpose of trading,
- iii) expected to be realised within twelve months after the reporting period,
- iv) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period, or
- v) carrying current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is current when:

- i) it is expected to be settled in normal operating cycle,
- ii) it is held primarily for the purpose of trading,
- iii) it is due to be settled within twelve months after the reporting period,
- iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period, or
- v) it includes current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

(iv) Operating cycle:

All assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle and other criteria set out above which are in accordance with the Schedule III to the Act. Based on the nature of services and time between the acquisition of assets for providing of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

(v) Property, plant and equipment:

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes purchase price, taxes and duties, labour cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use. In case of land, the Group has opted to state fair value as deemed cost on date of transition to Ind AS, when significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major refurbishment is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred. Expenditure during construction period incurred on the projects under implementation are treated as pre-operative expenses pending allocation to the assets, and are included under "Work-in-Progress". These expenses are apportioned to fixed assets on commencement of commercial production. Capital Work-in-Progress is stated at the amount incurred up to the date of Balance Sheet. Depreciation on property, plant and equipment is provided on straight line method and based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except, leasehold and improvements which are amortised over the lower of estimated useful life or lease period; on assets acquired under finance lease depreciation is provided over the lease term. Depreciation on assets added, sold or discarded during the year is provided on pro rata basis. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Gains or losses arising from de-recognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated Statement of Profit and Loss when the asset is de-recognised.

(vi) Leases:

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

- (i) Low value leases; and
- (ii) Leases which are short-term.

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

(vii) Intangible assets:

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised. Computer software are amortised over a period of 5 years. The amortisation period and the amortisation method for intangible assets with a finite useful life are reviewed at each reporting date.

(viii) Research & Development Expenditure:

Revenue expenditure on Research is expensed out in the statement of profit and loss for the year. Development costs of products are charged to the statement of profit and loss unless a product's technological feasibility and commercial has been established, in which case such expenditure is capitalised. Capital expenditure on research and development is shown as an addition to fixed assets.

(ix) Borrowing Cost:

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are charged to the profit and loss statement in the period in which they are incurred.

(x) Inventories:

- i) Stock of raw materials is valued at cost or net realisable value whichever is lower. Cost is arrived at on FIFO Basis.
- ii) Stock of materials-in-process and finished goods are valued at cost or net realisable value whichever is lower.
- iii) Stores, spares and packing material are valued at cost. Cost is arrived at on Weighted Average Basis.
- iv) Obsolete stores and spares when identified and technically determined, are valued at estimated realisable value.
- v) By-products - molasses and bagasse has been valued at estimated realisable value.
- vi) Trial run inventories are valued at cost or estimated realisable value whichever is lower.

(xi) Earnings per share

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

(xii) Impairment of non-financial Assets:

The carrying amount of any property, plant and equipment and intangible assets with finite lives are reviewed at each balance sheet date, if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(xiii) Provisions, contingent liabilities and contingent assets:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(xiv) Employee benefits:

i) Short-term employee benefits:

Short-term employee benefits are recognised as expenditure at the undiscounted value in the statement of profit and loss of the year in which the related service is rendered.

ii) Post-employment benefits:

Defined contribution plans: Company's contribution to the superannuation scheme, provident fund scheme and pension under employees' pension scheme etc. are recognised during the year in which the related service is rendered. Monthly contributions are made to a trust administered by the trustees. The interest rate payable by the trust to the beneficiaries is notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return on the investments of the trust and the notified interest rate.

Defined benefit plans - gratuity: Gratuity liability is covered under the gratuity-cum-insurance policy of Life Insurance Corporation of India (LIC) administered by trust. The present value of the obligation is determined based on an actuarial valuation, using the projected unit credit method. Actuarial gains and losses in respect of post-employment benefits are charged to the Other Comprehensive Income (OCI). The amount funded by the Company administered by the trust under the aforesaid Policy, is reduced from the gross obligation under the defined benefit plan, to recognise the obligation on a net basis.

iii) The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

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

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

(xv) Taxation:

i) Provision for current tax is made with reference to taxable income computed for the accounting period for which the financial statements are prepared by applying the tax rates and laws that are enacted or substantively enacted at the Balance sheet date. The tax is recognised in statement of profit and loss, except to the extent that it related to items recognised in the other comprehensive income (OCI) or in other equity. In this case, the tax is also recognised in other comprehensive income and other equity.

ii) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset

realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period. Deferred tax asset on unabsorbed depreciation and carried forward losses is recognised only to the extent of deferred tax liability.

- iii) Credit of Minimum Alternate Tax (MAT) is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(xvi) Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits with any qualifying financial institution repayable on demand or maturing within three months from the date of acquisition and which are subject to an insignificant risk of change in value.

(xvii) Foreign Currencies

- i) Foreign currency transactions are recorded at the rates of exchange prevailing on the date of transaction. Monetary foreign currency assets and liabilities outstanding at the close of the financial year are revalued at the exchange rates prevailing on the balance sheet date. Exchange differences arising on account of fluctuation in the rate of exchange is recognised in the statement of profit and loss. However, in respect of long-term foreign currency monetary items taken prior to April 1, 2015 being the date of transition to Ind AS, the exchange difference relating to acquisition of capital assets, has been adjusted to the capital assets.
- ii) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit and loss are also recognised in OCI or statement of profit and loss, respectively).

(xviii) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, including excise duty and excluding taxes or duties collected on behalf of the government.

Revenue is recognised only if following condition are satisfied:

- The Company has transferred risks and rewards incidental to ownership to the customer;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- It is probable that the economic benefit associated with the transaction will flow to the Company; and
- It can be reliably measured and it is reasonable to expect ultimate collection.

Export incentives accrued under foreign trade policy are accounted for in the year of export.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest

rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income is recognised when the right to receive payment is established.

(xix) Government grants

The Government grants such as capital subsidies under Sugar Promotion Policy, 2004, interest free or concessional interest rate loans and subsidies related to sugar cane purchased are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to the financial liabilities.

(xx) Financial Instruments

i) Financial assets

A Initial recognition

The Company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement. Financial instruments are recognised when the group becomes a party to the contractual provisions of the instrument. Financial instruments are recognised initially at fair value plus transactions costs that are directly attributable to the acquisition or issue of the financial instrument, except for financial assets at fair value through statement of profit and loss, which are initially measured at fair value, excluding transaction costs (which is recognised in statement of profit and loss).

B Subsequent measurement

a) Financial assets carried at amortised cost (AC)

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through statement of profit and loss (FVTPL)

Equity instruments

All equity investments in scope of Ind-AS 109 are measured at fair value either as at FVTOCI or FVTPL. The company makes such election on instrument-by-instrument basis.

For equity instruments measured as at FVTOCI, all fair value changes on the instrument, excluding dividends, are recognised in the OCI. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

Treasury shares

The Company has created a Securities Trust that holds the equity shares of the company, which were allotted to the Trust in 2010 pursuant to the Scheme of amalgamation of its erstwhile subsidiary Bajaj Hindusthan Sugar and Industries Ltd. The company uses Trust as a separate vehicle under the said scheme and treats as its extension and shares held by Trust are treated as treasury shares. The own equity shares that reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity shares. Corresponding amount of security premium is reduced from other equity.

d) Impairment of financial assets

The company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

1. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
2. Financial assets that are debt instruments and are measured as at FVTOCI
3. Lease receivables
4. Trade receivables or any contractual right to receive cash or another financial asset
5. Loan commitments which are not measured as at FVTPL
6. The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables; and all lease receivables

The application of simplified approach does not require the Company to track changes in credit risk rather; it recognises impairment loss allowance based on 12 months ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ii) Financial liabilities

A Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in statement profit and loss as finance cost.

B Subsequent measurement:

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

a) Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in statement of profit and loss when liabilities are derecognised. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance cost in the statement of profit and loss.

b) Compound Financial Instruments

At the issue date the fair value of the liability component of a compound instrument is estimated using the market interest rate for a similar non-convertible instrument. This amount is recorded as a liability at amortised cost using the effective interest method until extinguished upon conversion or at the instrument's redemption date. The equity component is determined as the difference of the amount of the liability component from the fair value of the instrument. This is recognised in equity, net of income tax effects, and is not subsequently re-measured.

iii) De-recognition of financial instruments

The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

iv) Fair value of financial instruments

In determining the fair value of its financial instruments, the company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may vary from actual realisation on future date.

v) Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of profit and loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of profit or loss when the hedge item effects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

(xxi) Non-current assets held for sale/distribution to owners and discontinued operations:

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the assets (or disposal group) to fair value less cost to sell. A gain is recognised for any subsequent increases in fair value less cost to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition. Non-current assets (including that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or

area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

3 Critical estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

i) **Depreciation and useful lives of property, plant and equipment:**

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

ii) **Recoverability of trade receivable:**

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

iii) **Provisions:**

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

iv) **Impairment of non-financial assets:**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

v) **Impairment of financial assets:**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

vi) **Fair value measurement of financial instruments:**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the consolidated financial statements

were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

vii) **Estimation uncertainty relating to the global health pandemic on COVID-19:**

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

viii) **Recognition of Minimum Alternative Tax (MAT) as an asset:**

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period; in the year in which the MAT credit becomes eligible to be recognised as an asset. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

ix) **Material uncertainty about going concern:**

In preparing consolidated financial statements, management has made an assessment of the Group's ability to continue as a going concern. Consolidated Financial statements are prepared on a going concern basis. The Management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern. Further details on going concern are disclosed in note no. 52.

4 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below:

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

5 (a) Property, Plant and Equipment

(In ₹ Crore)

	Land Freehold	Land Leasehold	Buildings	Plant & Machinery	Furniture, Fixtures & Office equipment	Vehicles	Total	Capital Work-in-Progress	Grand Total
Gross Block									
Balance as at 1st April, 2020	3,712.55	1.02	1,277.95	5,456.90	47.67	137.05	10,633.14	52.81	10,685.95
Additions	-	-	-	19.50	0.59	0.02	20.11	1.59	21.70
Disposals & Adjustments	-	-	0.01	1.23	0.50	8.12	9.86	19.16	29.02
Balance as at 31st March, 2021	3,712.55	1.02	1,277.94	5,475.17	47.76	128.95	10,643.39	35.24	10,678.63
Additions	-	-	-	27.62	1.62	0.07	29.31	4.06	33.37
Disposals & Adjustments	-	-	1.25	5.23	0.43	1.14	8.05	30.95	39.00
Balance as at 31st March, 2022	3,712.55	1.02	1,276.69	5,497.56	48.95	127.88	10,664.65	8.35	10,673.00
Accumulated Depreciation									
Balance as at 1st April, 2020	-	0.33	362.00	2,971.07	43.93	71.19	3,448.52	-	3,448.52
Additions	-	0.04	29.01	177.03	0.87	6.10	213.05	-	213.05
Disposals & Adjustments	-	-	0.01	0.80	0.50	3.55	4.86	-	4.86
Balance as at 31st March, 2021	-	0.37	391.00	3,147.30	44.30	73.74	3,656.71	-	3,656.71
Additions	-	0.04	28.97	176.74	0.90	5.44	212.09	-	212.09
Disposals & Adjustments	-	-	0.46	2.93	0.42	1.06	4.87	-	4.87
Balance as at 31st March, 2022	-	0.41	419.51	3,321.11	44.78	78.12	3,863.93	-	3,863.93
Net Block									
Balance as at 31st March, 2021	3,712.55	0.65	886.94	2,327.87	3.46	55.21	6,986.68	35.24	7,021.92
Balance as at 31st March, 2022	3,712.55	0.61	857.18	2,176.45	4.17	49.76	6,800.72	8.35	6,809.07

5 (b) Right-of-use asset

₹ Crore

	Right-of-use Asset	Total
Gross Block		
Balance as at 1st April, 2020	12.10	12.10
Additions	-	-
Disposals & Adjustments	-	-
Balance as at 31st March, 2021	12.10	12.10
Additions	-	-
Disposals & Adjustments	-	-
Balance as at 31st March, 2022	12.10	12.10
Accumulated Depreciation		
Balance as at 1st April, 2020	2.66	2.66
Additions	2.66	2.66
Disposals & Adjustments	-	-
Balance as at 31st March, 2021	5.32	5.32
Additions	2.57	2.57
Disposals & Adjustments	-	-
Balance as at 31st March, 2022	7.89	7.89
Net Block		
Balance as at 31st March, 2021	6.78	6.78
Balance as at 31st March, 2022	4.21	4.21

Note:

Assets pledged as security refer note no. 20.4

The group has clear title of all the immovable properties, excepting the leasehold land, as presented in the statement above.

5 (c) Other Intangible assets

₹ Crore

	Goodwill on Consolidation	Computer Software	Total
Gross Block			
Balance as at 1st April, 2020	78.27	0.02	78.29
Additions	-	-	-
Disposals & Adjustments	-	-	-
Balance as at 31st March, 2021	78.27	0.02	78.29
Additions	-	-	-
Disposals & Adjustments	-	-	-
Balance as at 31st March, 2022	78.27	0.02	78.29
Accumulated Amortisation			
Balance as at 1st April, 2020	78.27	0.02	78.29
Additions	-	-	-
Disposals & Adjustments	-	-	-
Balance as at 31st March, 2021	78.27	0.02	78.29
Additions	-	-	-
Disposals & Adjustments	-	-	-
Balance as at 31st March, 2022	78.27	0.02	78.29
Net Block			
Balance as at 31st March, 2021	-	0.00	0.00
Balance as at 31st March, 2022	-	0.00	0.00

5 (d) Capital Work-in-Progress (CWIP)
Ageing of Capital Work-in-Progress

₹ Crore

As at March 31, 2022					
Particulars	< 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
MEE and others in Distillery	2.55	0.19	-	-	2.74
ENA to Ethanol plant modification	1.55	-	-	-	1.55
Mining Exploration and Evaluation Assets Project	-	-	-	4.06	4.06
Total	4.10	0.19	-	4.06	8.35
As at March 31, 2021					
Particulars	< 1 year	1 - 2 years	2 - 3 years	> 3 years	Total
MEE and others in Distillery	1.97	7.43	13.05	2.28	24.73
Other Miscellaneous	0.44	-	-	-	0.44
Preoperative Expenditure and Interest	-	-	-	6.19	6.19
Mining Exploration and Evaluation Assets Project	-	-	-	3.88	3.88
Total	2.41	7.43	13.05	12.35	35.24

There is no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan at March 31, 2022 and March 31, 2021.

	As at March 31, 2022 (In ₹ Crore)	As at March 31, 2021 (In ₹ Crore)
6 Non-current investments		
Trade investments		
Investment		
In Equity Shares of associates		
Unquoted, fully paid up (Equity method)		
11,48,400 (P.Y. 11,48,400) Shares of Bajaj Ebiz Pvt. Ltd. of ₹ 10/- each	1.15	1.15
Less: Provision for diminution in value of investments	(1.15)	(1.15)
	-	-
9,000 (P.Y. 9,000) Shares of Esugarindia Ltd. of ₹ 10/- each	0.01	0.01
Less: Provision for diminution in value of investments	(0.01)	(0.01)
	-	-
Total Trade Investments	-	-
Non-Trade Investments		
Investments classified at fair value through other comprehensive income (OCI)		
In Preference Shares of other companies		
Unquoted, fully paid up		
3,50,03,927 (P.Y. 3,50,03,927) 6% Redeemable Non Cumulative Non Convertible Preference Shares of Phenil Sugars Ltd. of ₹ 100/- each	350.04	350.04
Less: Provision for diminution in value of investments	(350.04)	(350.04)
	-	-

	As at March 31, 2022 (In ₹ Crore)	As at March 31, 2021 (In ₹ Crore)
In Debentures of other company		
Unquoted, fully paid up		
3,70,48,321 (P.Y. 3,70,48,321) Zero coupon Optionally Convertible Debentures of Phenil Sugars Ltd. of ₹100/- each	370.48	370.48
Less: Provision for diminution in value of investments	(370.48)	(322.58)
	-	47.90
Total Non-trade investments	-	47.90
Total	-	47.90
Aggregate value of unquoted investment	-	47.90
Category-wise non-current investments		
Financial assets measure at fair value through other comprehensive income	-	47.90
Total	-	47.90
7 Loans		
(Unsecured considered good)		
Loan to related parties (refer note 43)	0.03	-
	0.03	-
8 Other non-current financial assets		
(Unsecured considered good)		
Fixed deposits *	13.39	12.87
	13.39	12.87
* Earmarked ₹ 13.39 crore (P.Y. ₹ 12.87 crore) for specific purposes.		
9 Other non-current assets		
(Unsecured considered good unless otherwise stated)		
Advance for purchase of land	-	248.00
Taxes paid under protest	54.80	47.49
MAT credit entitlement	79.44	79.44
Security deposits to related parties (refer note 43)	1.04	4.69
Security deposits - Good	3.24	2.49
Security deposits - Doubtful	0.30	0.30
Provision for bad and doubtful - Security deposit	(0.30)	(0.30)
	-	-
	138.52	382.11
10 Inventories		
(At cost or net realisable value whichever is lower, unless otherwise stated)		
Raw materials	6.22	8.33
Stores, spares & packing materials	108.82	112.16
Finished goods	2,184.00	2,093.28
By-products	412.45	301.78
Work-in-process	34.07	25.79
	2,745.56	2,541.34
- Includes inventories of ₹ 1,137.66 crore (P.Y. ₹ 1,077.31 crore) carrying at fair value less than cost to sale.		
- Inventories pledged as a securities - refer note no. 20.3.		

	As at March 31, 2022 (In ₹ Crore)	As at March 31, 2021 (In ₹ Crore)
11 Current investments		
Investments classified at fair value through other comprehensive income		
In Equity Shares of other companies Unquoted, fully paid up		
1,54,39,900 (P.Y.1,54,39,900) Shares of Lalitpur Power Generation Company Ltd. of ₹ 10/- each #	770.13	770.13
10,43,94,602 (P.Y. 0) Equity Shares of Bajaj Power Ventures Private Limited of ₹ 10/- each	1,148.34	-
Investments at fair value through profit or loss		
In Debentures of other company Unquoted, fully paid up		
2,66,85,000 (2,66,85,000) Zero Coupon Optionally Convertible Debentures of Lambodar Stocks Private Ltd. of ₹ 100/- each	-	266.85
	1,918.47	1,036.98
# These investments are pledged against loans taken by company and Lalitpur Power Generation Company Ltd.		

12 Trade receivables

(Unsecured considered good unless otherwise stated)

Considered good*	226.71	221.12
Less: Allowance for expected credit loss	(12.41)	(7.98)
Total Trade receivables Considered good	214.30	213.14
Considered doubtful	4.52	4.51
Less : Provision for doubtful debts	(4.52)	(4.51)
	-	-
	214.30	213.14

* Includes ₹ 11.53 crore (P.Y. ₹ 57.61 crore) due from related parties. Refer note 43

12.01 Trade Receivables ageing schedule

As at March 31, 2022

(In ₹ Crore)

Particulars	Outstanding for following periods from due date of payment					Total
	< 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	
(i) Undisputed Trade receivables - considered good	209.35	3.19	2.41	0.42	6.29	221.66
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	3.97	3.97
(iii) Disputed Trade receivables - considered good	-	-	0.33	0.97	3.75	5.05
(iv) Disputed Trade receivables - considered doubtful	-	-	-	-	0.55	0.55
Total	209.35	3.19	2.74	1.39	14.56	231.23
Less: Allowance for credit loss/credit impaired	(0.86)	(0.26)	(0.56)	(0.69)	(14.56)	(16.93)
Total	208.49	2.93	2.18	0.70	-	214.30

As at March 31, 2021

(In ₹ Crore)

Particulars	Outstanding for following periods from due date of payment					Total
	< 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	> 3 years	
(i) Undisputed Trade receivables - considered good	201.81	6.64	1.23	0.27	6.12	216.07
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	2.89	1.07	3.96
(iii) Disputed Trade receivables - considered good	-	0.33	0.97	-	3.75	5.05
(iv) Disputed Trade receivables - considered doubtful	-	-	-	-	0.55	0.55
Total	201.81	6.97	2.20	3.16	11.49	225.63
Less: Allowance for credit loss/credit impaired	(1.36)	(0.44)	(0.47)	(3.01)	(7.21)	(12.49)
Total	200.45	6.53	1.73	0.15	4.28	213.14

	As at March 31, 2022 (In ₹ Crore)	As at March 31, 2021 (In ₹ Crore)
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13 Cash and cash equivalents

Balance with banks		
Current account	46.02	73.23
Cheques, draft on hand	5.11	0.01
Cash on hand	0.60	0.54
	<u>51.73</u>	<u>73.78</u>

14 Other bank balances

Balance with banks (unpaid dividend ₹ 2,640)	0.00	0.00
Fixed deposits	0.28	0.27
	<u>0.28</u>	<u>0.27</u>

15 Loans and interest accrued

(Unsecured considered good, unless otherwise stated)		
Loans & advances to related parties (refer note 43) good	0.02	-
Loans & advances to others -good	254.68	656.86
-doubtful	2.29	2.29
-sub total	<u>256.99</u>	<u>659.15</u>
Less:-Provision for doubtful loans & advances	(2.29)	(2.29)
	<u>254.70</u>	<u>656.86</u>
Interest receivable on loans - others	196.36	435.17
Total*	<u>451.06</u>	<u>1,092.03</u>
*Out of above:		
Secured by pledge of investment **	445.54	511.86
Unsecured	7.81	582.46
	<u>453.35</u>	<u>1,094.32</u>
Less:-Provision for doubtful loans & advances	(2.29)	(2.29)
	<u>451.06</u>	<u>1,092.03</u>

** Includes ₹ 445.54 crore to Ojas Industries Pvt. Ltd. for which charge has been created on May 02, 2022.

	As at March 31, 2022 (In ₹ Crore)	As at March 31, 2021 (In ₹ Crore)
16 Current tax assets (net)		
Advance income tax (net of provisions)		
At the start of year	19.59	18.54
Addition during the year	2.77	1.08
Refund received during the year	(7.02)	(0.16)
Others	(0.12)	0.13
At the end of year	<u>15.22</u>	<u>19.59</u>
17 Other current assets		
(Unsecured considered good)		
Receivable under SPP (refer note 50)	592.38	592.38
Claim/refund recoverable in cash or in kind or for value to be received	20.64	14.37
Duty drawback receivable	0.13	0.11
Other advances* - Good	74.75	80.19
- Doubtful	0.66	0.88
	<u>688.56</u>	<u>687.93</u>
Less: Provision for doubtful advances	(0.66)	(0.88)
	<u>687.90</u>	<u>687.05</u>
* Includes advances given to suppliers, vendors and employees and other advances recoverable in cash or in kind.		
18 Equity share capital		
Authorised:		
5,00,00,00,000 (P.Y. 5,00,00,00,000) Equity Shares of ₹ 1/- each	500.00	500.00
	<u>500.00</u>	<u>500.00</u>
Issued		
1,32,30,31,364 (P.Y. 1,17,92,31,364) Equity Shares of ₹ 1/- each	132.30	117.92
	<u>132.30</u>	<u>117.92</u>
Subscribed and Paid up:		
1,13,35,59,942 (P.Y.1,13,35,59,942) Equity Shares of ₹ 1/- each	127.74	113.36
	<u>127.74</u>	<u>113.36</u>
Less:		
Interest in BHL Securities Trust 3,11,00,000 (P.Y. 3,11,00,000) Equity Shares of ₹ 1/- (refer note no. (v))	3.11	3.11
Share held by ESOP Trust 17,80,00,000 (P.Y. 17,80,000) Equity Shares of ₹ 1/- (Refer note no. (v))	0.18	0.18
	<u>3.29</u>	<u>3.29</u>
	<u>124.45</u>	<u>110.07</u>

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

49,41,60,031 Equity shares have been issued for consideration other than cash to lender banks on conversion of Funded Interest Term Loan (FITL) as per Master Restructuring Agreement (MRA) during the F.Y. 2015-16 and 2016-17.

Pursuant to the obligations on the Promoters of the Company under the Master Restructuring Agreement executed with the lenders on December 30, 2014, the promoters / promoter group entity granted an unsecured loan of ₹ 200 crore to the Company during the period from November 13, 2014 to September 24, 2015. As per request of the Promoters, consortium of lenders granted their approval for the conversion of loan into equity shares of the Company. Pursuant to the approval of the shareholders of the Company at the extra ordinary general meeting held on July 15, 2021, the board of directors at its meeting held on July 20, 2021, has allotted, 14,38,00,000 equity shares at a price of ₹ 13.28 per share (including premium of ₹ 12.28 per share) to promoters / promoter group entity aggregating to ₹ 190,96,64,000 on conversion of loan.

Consequent to the allotment of the equity shares as aforesaid, the paid-up equity share capital of the Company stands increased from the present ₹ 113,35,59,942/-, divided into 113,35,59,942 equity shares of ₹ 1/- each, to ₹ 127,73,59,942/-, divided into 127,73,59,942 equity share of ₹ 1/- each. Shareholding of promoters / promoter group increased from 15.43% to 24.95%

- (ii) The reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:

Particulars	(In ₹ Crore)	
	As at March 31, 2022 No. of Shares	As at March 31, 2021 No. of Shares
Equity Shares (with voting rights) at the beginning of the year	1,13,35,59,942	1,13,35,59,942
Issued during the year	14,38,00,000	-
Equity Shares at the end of the year	1,27,73,59,942	1,13,35,59,942

- (iii) Terms/Rights of equity shares:

The Company has one class of equity shares having par value of ₹ 1/- per share. All equity shares are ranking pari passu in all respects including dividend. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the realised value of the assets of the Company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

- (iv) The details of Shareholders holding more than 5% shares:

S. No.	Name of Shareholders	As at March 31, 2022		As at March 31, 2021	
		No. of Shares	% held	No. of Shares	% held
1	Kushagra Bajaj #	9,61,04,867	7.52%	-	0.00%
2	Bajaj Resources Ltd.	8,79,71,924	6.89%	8,19,44,455	7.23%
3	Punjab National Bank *	-	0.00%	12,73,10,276	11.23%
4	Indian Bank (earlier Allahabad Bank) *	-	0.00%	6,29,28,861	5.55%
5	Central Bank of India *	-	0.00%	5,66,86,605	5.00%

#Shareholding was below 5% as at March 31, 2021.

*Shareholding have reduced below 5% as at March 31, 2022.

- (v) The Company hold beneficial interest in BHL Security Trust which holds 3.11 crore shares of the company allotted on amalgamation of its subsidiary Bajaj Hindusthan Sugar and Industries Limited in 2010. The Company has also formed ESOP Trust under the ESOP scheme. The Company has an advance ₹ 8.69 crore to ESOP Trust which hold 0.18 crore equity shares. Face value of these shares are treated as treasury shares as per Ind AS 32 – Financial Instruments – Presentation and shown as reduction from equity. Excess of carrying value of these shares over the face value are reduced from securities premium.

- (vi) Changes in promoters holding during the year ended on March 31, 2022

Sl. No.	Promoter Name	As at March 31, 2022		As at March 31, 2021		% of Change
		No. of Shares 31.03.2022	% of total shares	No. of Shares 31.03.2021	% of total shares	
1	Shishirkumar Bajaj	83,96,341	0.66%	83,96,341	0.74%	0.00%
2	Kushagra Bajaj	9,61,04,867	7.52%	1,28,97,036	1.14%	645.17%
3	Minakshi Bajaj	42,54,556	0.33%	42,54,556	0.38%	0.00%
4	Apoorva Bajaj	2,31,751	0.02%	2,31,751	0.02%	0.00%
5	Shishir Bajaj & Minakshi Bajaj (As karta of Shishir Bajaj HUF)	38,74,654	0.30%	38,74,654	0.34%	0.00%

Sl. No.	Promoter Name	As at March 31, 2022		As at March 31, 2021		% of Change
		No. of Shares 31.03.2022	% of total shares	No. of Shares 31.03.2021	% of total shares	
6	Shishir Bajaj, Minakshi Bajaj & Kushagra Bajaj (As trustees of Kushagra Trust No. 2)	60,623	0.00%	60,623	0.01%	0.00%
7	Bajaj Capital Ventures Pvt. Ltd.	22,47,142	0.18%	22,47,142	0.20%	0.00%
8	Shishir Bajaj, Minakshi Bajaj & Kushagra Bajaj (As trustees of Shishir Bajaj Family Trust)	288	0.00%	288	0.00%	0.00%
9	Shishirkumar Bajaj & Kushagra Bajaj (As trustees of Bajaj Hindusthan Limited Employees General Medical Aid Fund)	20,78,120	0.16%	20,78,120	0.18%	0.00%
10	Shishirkumar Bajaj & Kushagra Bajaj (As trustees of Bajaj Hindusthan Limited Employees Family Planning Welfare Fund)	17,53,100	0.14%	17,53,100	0.15%	0.00%
11	Shishirkumar Bajaj & Kushagra Bajaj (As trustees of Bajaj Hindusthan Limited Employees Sports & Cultural Activities Welfare Fund)	17,43,600	0.14%	17,43,600	0.15%	0.00%
12	Shishirkumar Bajaj & Kushagra Bajaj (As trustees of Bajaj Hindusthan Limited Managerial Staff Medical Aid Fund)	17,39,100	0.14%	17,39,100	0.15%	0.00%
13	Shishirkumar Bajaj & Kushagra Bajaj (As trustees of Bajaj Hindusthan Limited Employees Education Welfare Fund)	16,09,298	0.13%	16,09,298	0.14%	0.00%
14	Bajaj Resources Private Limited (Formerly known as Bajaj Resources Ltd.)	8,79,71,924	6.89%	8,19,44,455	7.23%	7.36%
15	A N Bajaj Enterprises Pvt Ltd .	1,83,07,954	1.43%	1,83,07,954	1.62%	0.00%
16	KNB Enterprises LLP	110	0.00%	110	0.00%	0.00%
17	SKB Roop Commercial LLP *	6,05,92,279	4.74%	110	0.00%	*100.00%
18	Lambodar Stocks Private Limited	121	0.00%	121	0.00%	0.00%
19	Bajaj International Realty Pvt Ltd	2,77,77,484	2.17%	2,77,77,484	2.45%	0.00%
20	Bajaj Power Ventures Private Limited	110	0.00%	110	0.00%	0.00%
21	Anand Engineering Limited	-	0.00%	60,27,469	0.53%	-100.00%

* Opening holding was immaterial hence ignored for the purpose of calculation of percentage increased.

	As at March 31, 2022 (In ₹ Crore)	As at March 31, 2021 (In ₹ Crore)
19 Other equity		
Capital redemption reserve		
Opening balance	0.05	0.05
Closing balance	0.05	0.05

	As at March 31, 2022 (In ₹ Crore)	As at March 31, 2021 (In ₹ Crore)
Securities premium		
Opening Balance	4,185.31	4,185.31
Issue of equity shares	176.59	-
Closing balance	<u>4,361.90</u>	<u>4,185.31</u>
Equity Component of compound Financial Instrument		
Opening balance	146.54	146.54
During the year utilise on conversion of loan	(62.56)	-
Closing balance	<u>83.98</u>	<u>146.54</u>
General reserve		
Opening balance	156.05	156.05
Closing balance	<u>156.05</u>	<u>156.05</u>
Reserve for molasses storage tanks		
Opening balance	2.89	2.10
Transferred from statement of profit & loss	0.93	0.96
Utilisation of fund for maintenance of molasses tank	(1.93)	(0.17)
Closing balance	<u>1.89</u>	<u>2.89</u>
Gain / (loss) on Investment through FVOCI		
Opening balance	(157.51)	(122.12)
Change in during the year	33.30	(35.39)
Closing balance	<u>(124.21)</u>	<u>(157.51)</u>
Actuarial gain / (loss) on employee benefit plans		
Opening balance	(16.56)	(18.35)
Change in during the year	(5.05)	1.79
Transfer to retained earning	3.86	-
Closing balance	<u>(17.75)</u>	<u>(16.56)</u>
Exchange differences on translating the financial statements of a foreign operation		
Opening balance	(1.12)	(0.83)
Change during the year	(0.32)	(0.29)
Closing balance	<u>(1.44)</u>	<u>(1.12)</u>
Statement of profit and loss (retained earnings)		
Opening balance	(2,053.48)	(1,761.70)
Profit/(loss) for the year	(267.54)	(290.82)
Appropriations:		
Transferred to reserve for molasses storage tanks	(0.93)	(0.96)
Transferred from Remeasurement of defined employee benefits	(3.86)	-
Closing balance	<u>(2,325.81)</u>	<u>(2,053.48)</u>
	<u>2,134.66</u>	<u>2,262.17</u>

Nature and description of reserve:

- Capital Redemption Reserve: Whenever company redeems its preference shares or buys its own shares which reduces its share capital, then capital redemption reserve is created by face value of its shares.
- Securities Premium Reserve: The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.
- General Reserve: General Reserve was created by transferring a portion of the net profit of the Company as per the requirements of the Companies Act, 1956.
- Molasses Storage Reserve Fund is created as per provisions under Molasses Control (Regulation of Fund and Erection of Storage Facilities) Order, 1976.
- Retained Earnings: Remaining portion of profits earned or accumulated losses by the Company till date after appropriations.
- Remeasurements of defined benefit liability (asset) comprises actuarial gains and losses and return on plan assets (excluding interest income).
- Gain / (loss) on Investment through FVOCI represents the cumulative gains and losses arising on the revaluation of equity and debt instruments measured at fair value through other comprehensive income that have been recognised in other comprehensive income, net of amounts reclassified to profit or loss when such assets are disposed of and impairment losses on such instruments, if any

	As at March 31, 2022 (In ₹ Crore)	As at March 31, 2021 (In ₹ Crore)
20 Non-current borrowings		
(At amortised cost)		
From banks		
Secured Debentures (refer note 20.2)	3,483.25	3,483.25
Secured Term Loan	752.47	1,187.18
	<u>4,235.72</u>	<u>4,670.43</u>
From related parties		
Unsecured	8.10	131.89
	<u>8.10</u>	<u>131.89</u>
	<u>4,243.82</u>	<u>4,802.32</u>

20.1 Movement in loan from promoters

Loan from promoters as at 31.03.2021	131.89	-
Movement during the year		-
Add: Non-cash interest added during the year	4.61	-
Add: Amount transferred from equity component of compound financial instruments	62.56	-
Less: Loan converted to equity	(190.96)	-
Total	<u>(123.79)</u>	-
Loan from promoters as at 31.03.2022	<u>8.10</u>	-

20.2 34,83,24,626 Unlisted, Unrated, Redeemable, Optionally Convertible Debentures (Series 1/ 2017-18) of ₹ 100/- each issued on Preferential basis to the lenders in accordance with S4A Scheme on December 18, 2017. Debentures are to be redeemed in 13 equal annual instalments starting from March 31, 2025. The coupon rate for year 1 & 2 is 0.01% p.a., for year 3 & 4 is 1.00% p.a. and thereafter 2.50% p.a., payable annually on the last date of every financial year. The redemption premium is payable on redemption of debentures to be decided by lenders at going weighted average interest cost so that there is no NPV loss to the lenders. On occurrence of event of default, lenders have the right to convert all outstanding debentures into equity shares at the conversion price to be determined in accordance with guidelines of RBI.

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

(In ₹ Crore)								
Name of banks/financial institutions	Interest (%)	Outstanding as at March 31, 2022	Maturity profile					Refer Note No.
			Current Maturities (0-1 Year)	2nd Year	3rd Year	4th Year	Beyond 4 Years	
From Banks - Term loan secured	10.15% to 10.30%	1,295.48	543.01	434.41	318.06	-	0.00	20.4
Total		1,295.48	543.01	434.41	318.06	-	0.00	
Total - Secured		1,295.48	543.01	434.41	318.06	-	0.00	
Term loans (Unsecured)								
From related parties								
Loan from promoters - 1		6.08	-	-	-	-	6.08	20.5 (i)
Loan from promoters - 2		2.02	-	-	-	-	2.02	20.5 (ii)
Total from related parties		8.10	-	-	-	-	8.10	
Total - Unsecured		8.10	-	-	-	-	8.10	
Grand Total		1,303.58	543.01	434.41	318.06	-	8.10	

20.4 Details of securities

Term Loans and debentures from Banks are secured on first pari passu charge basis, by way of mortgage over all immovable fixed assets and hypothecation over all movable fixed assets (both present and future) of the Company, on first pari-passu charge by way of hypothecation over all current assets (both present & future) of the Company. The said loans are further secured by personal guarantee of Chairman (Promoter) and corporate guarantee by a promoter group company, pledge of entire shares held by the Promoters of the company in BHSL, 21,82,870 equity shares of LPGCL held by the Company and 3,63,00,011 equity shares of Bajaj Energy Ltd. held by promoters group company. All the charges have been created and filed with ROC and there is no charges or satisfaction yet to be registered with ROC beyond the statutory period.

20.5 Loan from promoters

- (i) As per terms of restructuring approved by lenders, the promoters are required to bring promoter contribution amounting to ₹ 200 crore in phased manner till September 2015 in the form of equity capital/preference capital/unsecured loan/other similar instruments. An amount of ₹ 200 crore has been brought by promoters as unsecured loan within stipulated period. Interest if any, payable shall be determined after the restructuring period is completed. Presently, said amount is treated as unsecured loan with the option to convert into equity/preference or any other similar instrument. As per Ind AS 32, contribution amount received is classified as compound instrument bifurcated into ₹ 64.22 crore as debt and ₹ 135.78 crore as other equity by discounting the amount @12% p.a. for a tenure of 10 years. The unwinding of discount in subsequent periods on loan component is recognised in the statement of profit & loss.
- (ii) As per the approved restructuring of loan under S4A Scheme, promoter/promoters group has transferred 11,99,87,344 equity shares of ₹ 1/- per equity share to lenders as per overseeing committee recommendation as part payment of unsustainable debt. Consequently, the consideration amount of ₹ 11,99,87,344 is accounted as unsecured loan from promoters and as per Ind AS 32, said amount due to promoters is treated as compound financial instrument and bifurcated into other equity of ₹ 10.76 crore and ₹ 1.24 crore by discounting the amount @12% p.a. for a tenure of 20 years.
- (iii) During the year, as per request of the Promoters, consortium of lenders granted their approval for the conversion of loan mentioned above in 19.4 (i) into equity shares of the Company. Pursuant to the approval of the shareholders of the Company at the extra ordinary general meeting held on July 15, 2021, the board of directors at its meeting held on July 20, 2021, has allotted, 14,38,00,000 equity shares at a price of ₹ 13.28 per share (including premium of ₹ 12.28 per share) to promoters / promoter group entity aggregating to ₹ 190,96,64,000 on conversion of aforesaid loan.

Consequent to the allotment of the equity shares as aforesaid, the paid-up equity share capital of the Company stands increased from the present ₹ 113,35,59,942/-, divided into 113,35,59,942 equity shares of ₹ 1/- each, to ₹ 127,73,59,942/-, divided into 127,73,59,942 equity share of ₹ 1/- each. Shareholding of promoters / promoter group increased from 15.43% to 24.95%

20.6 Deferment and moratorium

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

- 20.7 a) The principal of ₹ 108.60 crore was outstanding towards the instalment for March 2022 as on 31.03.2022, out of this ₹ 49.52 crore has been paid till May 10, 2022

Details of delays and defaults in payment of financial obligations

Amount falling due during FY 2021-22

Name of institutions	Principal				Interest			
	No. of Days - Range		Amount (₹ in Crore)- Range		No. of Days - Range		Amount (₹ in Crore)- Range	
	Min	Max	Min	Max	Min	Max	Min	Max
Bank of Baroda	6	70	0.07	1.73	1	33	0.00	0.24
Bank of India	6	40	0.04	1.77	7	33	0.00	0.23
Bank of Maharashtra	2	67	0.20	4.35	1	35	0.01	0.60
Canara Bank	2	69	0.08	2.35	1	34	0.01	0.59
Central Bank of India	8	70	0.21	3.00	1	34	0.01	0.77
IDBI Ltd	1	74	0.16	3.17	1	30	0.00	0.62
Indian Overseas Bank	8	40	0.06	2.62	1	18	0.00	0.31
Punjab National Bank	6	78	0.15	4.60	2	33	0.00	1.68
Union Bank of India	5	70	0.07	2.24	1	33	0.01	0.31
UCO Bank	2	47	0.54	3.90	1	34	0.01	0.54
Indian Bank	6	80	0.09	3.48	1	35	0.02	1.19
State Bank of India	20	74	0.06	12.00	-	-	0.00	0.00

Due to above default as per MRA, lenders has acquired the right to convert Optionally Convertible Debenture (OCD) into equity shares of the Company.

- b) Details of interest on OCD (Optionally Convertible Debentures)

(In ₹ Crore)

Name of institutions	Interest on Debentures		
	Coupon Rate interest @2.50%, on OCD	TDS @10%	Net Payable
Indian Bank	9.17	0.92	8.25
Bank of Baroda	2.22	0.22	2.00
Bank of India	1.31	0.13	1.18
Bank of Maharashtra	6.54	0.65	5.89
Canara Bank	4.45	0.45	4.00
Central Bank of India	7.18	0.72	6.46
Union Bank of India	3.47	0.35	3.12

(In ₹ Crore)

Name of institutions	Interest on Debentures		
	Coupon Rate interest @2.50%, on OCD	TDS @10%	Net Payable
IDBI Bank Ltd	6.39	0.64	5.75
Indian Overseas Bank	1.98	0.20	1.78
Punjab National Bank	19.96	2.00	17.96
State Bank of India	21.52	2.15	19.37
UCO Bank	2.89	0.28	2.61
Total	87.08	8.71	78.37

The debts of the Company, got restructured in Dec 2017, under Scheme for Sustainable Structuring of Stressed Assets (S4A). Part of the debt, assigned as unsustainable debt, and converted into Optionally Convertible Debentures (OCD), of ₹ 3,483.25 crore, issued to respective lender banks. The Company has not paid coupon interest @ 2.50% on OCDs for FY 2021-22, due on March 31, 2022. The applicable TDS has been deposited accordingly. The matter is under discussion with the consortium of lenders, same may be taken up in any of proposed resolution plans in concurrence with the lenders.

- 20.8 The Company has a sanctioned working capital limit from the consortium of 11 banks; State Bank of India is the lead bank. During the current and previous year, the Company has not utilised working capital limit at all due to inadequate drawing power (DP). Below is the comparison of books and quarterly stock statement and reasons of difference:

(In ₹ Crore)

Quarter	Name of The Bank	Amount as per books of accounts	Amount as reported in quarterly return / statement	Amount of difference	Reason of material differences
	State Bank of India (lead bank in consortium)*				
Jun-21	Stock value	1,815.17	1,892.22	-77.05	1
	Debtors	214.98	121.08	93.9	2
	Creditors	3,975.63	3,911.55	64.08	3
Sep-21	Stock value	681.07	690.16	-9.09	1
	Debtors	130.96	89.53	41.43	2
	Creditors	2,920.23	2,883.56	36.67	3
Dec-21	Stock value	1,205.16	1,121.49	83.67	1
	Debtors	211.46	148.75	62.71	2
	Creditors	3,596.17	3,084.40	511.77	3 & 4
Mar-22	Stock value	2,745.56	2,635.69	109.87	1
	Debtors	213.87	154.32	59.55	2
	Creditors	4,092.25	3,848.92	243.33	3 & 4

The working capital has been sanctioned by consortium of 11 banks. State Bank of India (SBI) is the lead bank.

During the current year and previous year, the Company has not availed any facility against the sanctioned working capital due to inadequate Drawing Power ("DP").

The stock statement are submitted with the lead bank as per terms and conditions envisaged in the sanction letter of the bank.

Refer no. 20 (4) for security provided to banks

- 1 a) In stock statement, stock of finished goods is valued at average price of last three months or current market price which is lower. While in the financial statements, stock is valued at NRV (net realisable value) or COP (Cost of production) whichever is lower.
- b) In stock statement work-in-progress, raw material stock, bagasse and banked power are not included.

During sugar season (November to March), in the stock statements of Dec 2021 & Mar 2022, it can be viewed that value of stock in the books is higher due to consideration of WIP of Sugar and Molasses while the same was not considered in Stock Statement.

- 2 DP against debtors is computed on debtors ageing within 60 days and excluding outstanding against the related parties.
- 3 In stock statement advance to vendors are reduced from the total creditors while in the financial statements advance to vendors are grouped in current assets (other receivables).
- 4 While submitting the cane liabilities to Bank, we consider cane dues only up to the period 14 days before the reporting date as reported to Government Cane Authorities (Cane Commissioner); while in books outstanding cane due appear as on date. Hence cane liabilities in stock statement submitted is lower.

	As at March 31, 2022 (In ₹ Crore)	As at March 31, 2021 (In ₹ Crore)
21 Non-current financial liabilities		
Lease liabilities	2.46	4.84
	<u>2.46</u>	<u>4.84</u>
22 Non-current provisions		
Provisions for employee benefits		
Gratuity	56.87	46.14
Leave encashment	32.67	30.44
	<u>89.54</u>	<u>76.58</u>

23 Deferred tax liabilities/ (assets) (net)

	As at April 01, 2021	During the Year	As at March 31, 2022 (In ₹ Crore)
Deferred tax liabilities:			
Property, plant and equipment	727.94	(181.34)	546.60
Fair valuation of property, plant and equipment	787.68	(4.11)	783.57
	<u>1,515.62</u>	<u>(185.45)</u>	<u>1,330.17</u>
Deferred tax assets:			
Provision for employee benefits	28.95	5.46	34.41
Provision for doubtful debts/advances	29.17	(7.26)	21.91
Fair valuation of investments	196.74	81.20	277.94
Carry forward losses and unabsorbed depreciation *	669.82	(179.54)	490.28
	<u>924.68</u>	<u>(100.14)</u>	<u>824.54</u>
Deferred tax liabilities/ (assets) (net)	<u>590.94</u>	<u>(85.31)</u>	<u>505.63</u>

* Deferred tax assets on carry forward losses and unabsorbed depreciation is ₹ 1,069.85 crore. However, it is recognised to the extent of deferred tax liabilities other than arising on fair valuation of PPE and Investment on conservative basis.

*Pursuant to the Taxation Laws (Amendment) Act, 2019, domestic companies have an option to pay corporate income tax at a concessional rate of 25.17% including surcharge and cess (new tax rate), subject to certain conditions, w.e.f. financial year commencing from April 1, 2019 and thereafter. If the said option is chosen, the Company will be exempted from the provisions of Minimum Alternate Tax under section 115JB of Income Tax Act 1961; however, the Company will have to forego certain prescribed incentives/deductions. The Company can choose such option for any year starting from FY 2019-20 or any subsequent year. However, once the said option of paying tax under the new tax rate is chosen, the Company cannot withdraw and go back to the old rates of tax. As at March 31, 2022, the Company has made an evaluation of the impact of the aforesaid option and decided not to opt for the new tax rate for FY 2021-22. Accordingly, the Company will continue to be governed under the existing tax regime. The Company will re-assess the impact of said option in subsequent financial year and take an appropriate decision for the said years at relevant point in time.

23 (a) Tax expense recognised in the Statement of Profit and Loss

	(In ₹ Crore)	
	Year ended March 31, 2022	Year ended March 31, 2021
Current tax		
Current year	0.13	-
Total Current Tax	0.13	-
Deferred tax		
Origination and reversal of temporary difference through profit and loss	4.11	3.08
Origination and reversal of temporary difference through other comprehensive income	81.20	-
Total deferred income tax expense/(credit)	85.31	3.08
Tax relating to earlier year	-	(0.19)
Total income tax expense/(credit)	(85.18)	(2.89)

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

	(In ₹ Crore)	
	Year ended March 31, 2022	Year ended March 31, 2021
Reconciliation of effective tax rate		
Profit before Tax	(271.52)	(293.71)
Enacted income tax rate in India	31.20%	31.20%
Income tax expenses as per enacted rate	(84.71)	(91.64)
Differences due to:		
Income / Expenses not considered for tax purpose	(0.47)	88.75
Others		-
Total	(85.18)	(2.89)
Effective Tax Rate	31.37%	0.98%

23 (c) The movement in deferred tax assets and liabilities during the year ended March 31, 2021 and March 31, 2022:

	(In ₹ Crore)						
Particular	As at April 1, 2020	Credit/ (charge) in statement of Profit and Loss	Credit / (charge) in Other Compre- hensive Income	As at March 31, 2021	Credit / (charge) in state- ment of Profit and Loss	Credit / (charge) in Other Compre- hensive Income	As at March 31, 2022
Deferred tax assets/(liabilities)							
Property, plant and equipment	(727.20)	(0.74)	-	(727.94)	181.34	-	546.60)
Fair valuation of property, plant and equipment	(790.76)	3.08	-	(787.68)	4.11	-	(783.57)
Provision for employee benefits	25.82	3.12	-	28.94	5.46	-	34.40
Provision for doubtful debts/ advances	27.20	1.97	-	29.17	(7.26)	-	21.91
Fair valuation of investments	180.69	-	16.05	196.74	-	81.20	277.94
Carry forward losses and unabsorbed depreciation	674.18	(4.35)	-	669.83	(179.54)	-	490.29
Total	(610.07)	3.08	16.05	(590.94)	4.11	81.20	(505.63)

(In ₹ Crore)

	Year ended March 31, 2022	Year ended March 31, 2021
24 Other non-current liabilities		
Deposits from agents/customers/vendors	22.00	35.84
	22.00	35.84
25 Current borrowings		
(At amortised cost)		
Zero Coupon Optionally Convertible Debentures		
-Unsecured		
- Others	8.39	-
- Related parties	11.02	-
	19.41	-
Loan from others		
-Secured		
- Current maturities of non-current borrowings (refer note 20.3)	543.01	579.09
-Unsecured		
- Others	5.55	20.33
- Loans and advances from related parties	-	0.39
	548.56	599.81
	567.97	599.81
26 Current financial liabilities		
Lease liabilities	2.38	2.43
	2.38	2.43
27 Trade payables		
Micro and small enterprises	0.30	19.72
Others	4,094.43	4,442.00
	4,094.73	4,461.72
The details of amount outstanding to micro and small enterprises based on available information with the Group are as under :		
Particulars		
The amounts remaining unpaid to micro and small suppliers as at the end of the year:		
- Principal	0.30	19.72
- Interest	-	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)		
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	0.29
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	-	-

27.01 Trade Payables ageing schedule

As at March 31, 2022

(In ₹ Crore)

Particulars	Outstanding for following periods from due date of payment				Total
	< 1 year	1 - 2 years	2 - 3 years	> 3 years	
(i) Micro and small enterprises	0.30	-	-	-	0.30
(ii) Others	4,020.85	65.73	3.68	4.17	4,094.43
(iii) Disputed dues - Micro and small enterprises	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	4,021.15	65.73	3.68	4.17	4,094.73

As at March 31, 2021

(In ₹ Crore)

Particulars	Outstanding for following periods from due date of payment				Total
	< 1 year	1 - 2 years	2 - 3 years	> 3 years	
(i) Micro and small enterprises	19.72	-	-	-	19.72
(ii) Others	4,432.48	5.67	1.12	2.73	4,442.00
(iii) Disputed dues - Micro and small enterprises	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	4,452.20	5.67	1.12	2.73	4,461.72

Year ended	Year ended
March 31, 2022	March 31, 2021
(In ₹ Crore)	(In ₹ Crore)

28 Other financial liabilities

Security deposit from related parties	27.85	-
Security deposit from others	0.17	0.26
Interest accrued and due on borrowings	0.92	15.24
Interest accrued and due on debentures*	78.37	-
Unclaimed dividends (C.Y. and P.Y. ₹ 2,640) #	0.00	0.00
	107.31	15.50

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

* Interest of ₹ 78.37 crore (P.Y. ₹ Nil) on debenture is due for payment as on the balance sheet date.

29 Other current liabilities

Other payables*	1,134.03	157.37
	1,134.03	157.37

* Includes statutory dues, advances from customer, other liabilities and ₹ 1,000 crore received from Uttar Pradesh Power Corporation Ltd through Cane Commissioner Uttar Pradesh by operation of Law.

30 Current provisions

Provisions for employee benefits		
Gratuity	14.89	11.70
Leave encashment	5.89	4.49
	20.78	16.19

	Year ended March 31, 2022 (In ₹ Crore)	Year ended March 31, 2021 (In ₹ Crore)
31 Revenue from operations		
Sale of products/services	5,499.78	6,556.63
Other operating revenues	75.87	109.34
	<u>5,575.65</u>	<u>6,665.97</u>
31.1 Particulars of sale of products/services		
Sugar	4,453.62	5,930.57
Alcohol	932.04	397.00
Power	46.12	58.54
By products	54.13	168.60
Others	0.10	0.42
Aircraft services	13.77	1.50
	<u>5,499.78</u>	<u>6,556.63</u>
31.2 Particulars of other operating revenues		
Duty drawback and other export incentives	0.03	0.04
Sale of export licenses	8.48	50.48
Sale of scrap	13.76	5.05
Others	53.60	53.77
	<u>75.87</u>	<u>109.34</u>
32 Other income		
Profit on assets sold	0.04	4.94
Gain due to foreign exchange fluctuation (net)	0.70	0.88
Other non-operating income	29.87	15.78
Interest income *	1.30	0.99
	<u>31.91</u>	<u>22.59</u>
* On the basis of principle of conservatism and prudence, the Group has not recognised interest income on inter corporate debts ₹ 37.51 crore (P.Y. ₹ 78.41 crore) for Year ended March 31, 2022, as and when it is recoverable it will be recognised in the books.		
33 Cost of materials consumed		
Opening stock	8.33	4.37
Purchases	4,607.82	5,301.28
	<u>4,616.15</u>	<u>5,305.65</u>
Less: Closing stock	6.22	8.33
Cost of raw material consumed	<u>4,609.93</u>	<u>5,297.32</u>
34 Changes in inventories of finished goods, by-products and work-in-progress		
Opening stock		
Finished goods	2,093.28	2,398.39
By-products	301.78	154.00
Work-in-process	25.79	61.77
	<u>2,420.85</u>	<u>2,614.16</u>
Less: Closing stock		
Finished goods*	2,184.00	2,093.28
By-products	412.45	301.78
Work-in-process	34.07	25.79
	<u>2,630.52</u>	<u>2,420.85</u>
	<u>(209.67)</u>	<u>193.31</u>
* Includes ₹ 154.75 crore (P.Y. ₹ 60.92 crore) towards the write down of inventories.		

	Year ended March 31, 2022 (In ₹ Crore)	Year ended March 31, 2021 (In ₹ Crore)
35 Employee benefits expense		
Salaries & wages	308.98	297.40
Gratuity expenses (refer note 35.1)	10.45	9.41
Contributions to provident and other funds	21.85	20.29
Employees' welfare expenses	1.65	1.58
	342.93	328.68

35.1 Liability for employee benefits (Gratuity) has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Ind AS 19 the details of which are as hereunder:

	Year ended March 31, 2022	Year ended March 31, 2021
Funded scheme - gratuity		(In ₹ Crore)
Particulars		
Liability to be recognised in balance sheet		
Present value of funded obligations	73.82	62.49
Fair value of plan assets	(2.06)	(4.65)
Net liability / (asset)	71.76	57.84
Current (refer note 30)	14.89	11.70
Non-current (refer note 22)	56.87	46.14
Change in plan assets (reconciliation of opening and closing balances)		
Fair Value of plan assets at the beginning	4.65	9.82
Expected return on plan assets	0.22	0.49
Actuarial gain / (losses)	(0.08)	(0.01)
Contributions	1.37	0.49
Benefits paid	(4.10)	(6.14)
Fair value of plan assets at the end	2.06	4.65
Change in obligation (reconciliation of opening and closing balances)		
Obligation at the beginning	62.48	60.57
Current service cost	6.16	5.36
Interest cost	4.31	4.24
Actuarial losses / (gain)	4.97	(1.55)
Benefits paid	(4.10)	(6.14)
Closing obligation	73.82	62.48
Expenditure to be recognised during the year		
Current service cost	6.16	5.36
Interest cost	4.31	4.24
Expected return on plan assets	(0.22)	(0.49)
Total expenses recognised in the statement of profit and loss	10.25	9.11
In Other comprehensive income		
Actuarial (Gain) / Loss - Plan Liabilities	4.97	(1.55)
Actuarial (Gain) / Loss - Return on Plan Assets	0.08	0.01
Net (Income)/ Expense for the period Recognised in OCI	5.05	(1.54)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Investment Details		
Insurance Policies - Amount	2.06	4.65
- %	100%	100%
Assumptions		
Discount rate (per annum)	7.10%	6.90%
Expected rate of return on assets (per annum)	7.10%	6.90%
Salary escalation rate (per annum)	6.00%	6.00%
Sensitivity		
Under base scenario	73.80	62.49
Salary escalation (up by 1%)	79.09	67.12
Salary escalation (down by 1%)	69.05	58.33
Withdrawal rates (up by 1%)	74.07	62.67
Withdrawal rates (down by 1%)	73.50	62.27
Discount rates (up by 1%)	69.23	58.48
Discount rates (down by 1%)	78.95	67.01

This is a defined benefit plan and statutory liability of the Company. The Company has to pay the Gratuity to the employees as per the provisions of The Payment of Gratuity Act 1972 irrespective of the availability of the funds with the Gratuity Fund.

The Gratuity Liability is computed on actuarial valuation basis done at year end and the Company's liability so determined as at the end of the financial year on an actuarial basis using the Project Unit Credit Method is provided for in the books of account and is based on a detailed working done by a certified Actuary. Past service cost is recognised immediately to the extent that the benefits are already vested.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The Company manages Gratuity obligation through Trust. Company arranges the fund based on the actuarial valuation and requirement of the Trust.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2021-22.

These gratuity plan typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yield at the end of reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Provident fund

The Company's contribution are made to a Employee Provident Fund Trust. 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. The actuary has provided a valuation based on the below provided assumptions and there is no shortfall as at March 31, 2022.

Particulars	(In ₹ Crore)	
	Year ended March 31, 2022	Year ended March 31, 2021
Plan assets at period end, at fair value	-	-
Present value of benefit obligation at year end	-	-
Cost of short fall in interest rate guarantee	-	-
Discount rate	7.10%	6.90%
Average remaining tenure of the investment portfolio (years)	6.53	6.53
Expected guaranteed interest rate	8.10%	8.50%

35.2 Defined contribution plan

The Company's contribution to defined contribution plan is as below:

Pension fund	9.70	9.41
Employees deposit link insurance	0.60	0.58
Superannuation	0.10	0.09
Total	10.40	10.08

35.3 Share-based payment

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

36 Finance costs

Interest expense on:		
Borrowings	151.40	203.27
Notional interest on promoters loan	4.61	14.13
Interest on lease liabilities	0.71	0.98
Others	6.67	5.55
Debentures	87.08	34.84
Other borrowing costs	3.52	4.75
	253.99	263.52

37 Depreciation and amortisation expense

Depreciation on tangible assets	212.09	213.05
Depreciation on right of use assets	2.57	2.66
	214.66	215.71

38 Other expenses

Stores, spares chemicals and consumables	78.22	61.57
Packing materials consumed	62.27	66.60
Cane development materials	46.96	46.43
Power and fuel	21.74	25.95
Rent	3.04	5.93
Rates and taxes	0.75	0.38
Repairs :		
Building	1.91	1.64
Machinery	290.43	341.78
Others	4.26	4.29
	296.60	347.71
Payment to auditors (refer note 38.1)	0.45	0.35

Particulars	(In ₹ Crore)	
	Year ended March 31, 2022	Year ended March 31, 2021
Insurance	14.55	12.59
Selling commission	12.46	15.42
Selling & distribution	48.69	36.69
Directors' fees	0.27	0.19
Loss due to foreign currency fluctuation (net)	0.06	-
Provision for doubtful debts	4.44	(0.09)
Loss on assets sold/scrapped/written off	0.97	0.39
Miscellaneous expenses	69.58	63.62
	661.05	683.73
38.1 Payment to auditors		
For statutory audit fees	0.38	0.27
For tax audit fees	-	0.02
For certification work	0.07	0.06
	0.45	0.35
39 Other Comprehensive income		
Actuarial gain / (loss) on employee benefit plans	(5.05)	1.79
Gain / (loss) on Investment through FVOCI	(47.90)	(51.44)
Foreign exchange fluctuation	(0.32)	(0.29)
Less: Tax on Gain / (loss) on Investment through FVOCI	81.20	16.05
	27.93	(33.89)
40 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	12.16	11.29
(ii) Trade tax matters	57.02	59.01
(iii) Income tax matters	2.42	62.63
(iv) Recompense payable (refer note 40(b))	328.03	280.75
(v) Other claims	53.05	40.14
	452.68	453.82
(b) Securities - The Company has furnished securities on behalf of related party	661.25	661.25
(c) Interest payable on promoters contribution (refer note 44 (c) and (d)) is not determinable	-	-
(d) Pursuant to the scheme for sustainable structuring of stressed assets (S4A Scheme) for restructuring of certain outstanding debts of the Company [Refer note no. 44 (d) for details], the Company has allotted optionally convertible debentures (OCDs) aggregating to ₹ 3,483.25 crore to JLF lenders. The OCDs carry a yield to maturity (YTM) at the agreed Yield Rate accruing on an annual basis, starting from the Allotment Date. The said YTM is payable as premium on redemption along with the relevant Principal Amount on each Redemption Date [Refer note no. 20.2]. The OCDs provide the lenders an option to exercise the right to convert the outstanding OCDs into the equity shares of the Company at a price in accordance with Applicable Law (including the ICDR Regulations). Since premium to be paid is contingent on the occurrence of the event of redemption of OCDs, the YTM of ₹ 1,784.12 crore from the date of allotment of OCD till the year end is treated as contingent liability and would be accounted for as finance cost at the time of redemption of respective OCDs.		
(e) All the loans outstanding on balance sheet date have been used for the purpose for which it was taken.		

Particulars	(In ₹ crore)	
	Year ended March 31, 2022	Year ended March 31, 2021
(II) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1.03	0.22
41 Earnings per share		
(i) Net profit/ (loss) after tax as per statement of profit and loss attributable to equity shareholders	(267.54)	(290.82)
(ii) Weighted average number of equity shares used as denominator for calculating basic EPS (crore)	120.11	110.07
(iii) Weighted average number of equity shares used as denominator for calculating diluted EPS (crore)*	120.11	110.07
*Equity shares to be issued on conversion of optionally convertible debentures and on loan from promoters (refer note no. 20.2 and 20.5) are not determinable as on balance sheet date.		
(iv) Basic earnings per share	(2.23)	(2.64)
(v) Diluted earnings per share	(2.23)	(2.64)
(vi) Face value per equity share	₹ 1/-	₹ 1/-

42 Operating Segments/Segment information

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

The Company monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

No operating segments have been aggregated to form the above reportable operating segments. Transfer prices between operating segments are on an arm's-length basis in a manner similar to transactions with third parties.

Segment Information

Particulars	(In ₹ Crore)	
	Year ended March 31, 2022	Year ended March 31, 2021
1 Segment revenue		
a. Sugar	5,722.05	7,148.20
b. Distillery	980.10	414.47
c. Power	810.14	983.26
d. Others	14.58	2.35
Total	7,526.87	8,548.28
Less : Inter-segment revenue	1,951.22	1,882.31
Net Sales / Income from operations	5,575.65	6,665.97
2 Segment results		
(Profit/ (Loss) before tax and interest)		
a. Sugar	(31.55)	(1.62)
b. Distillery	98.30	14.10
c. Power	(3.73)	6.82
d. Others	(53.89)	(15.30)
Total	9.13	4.00
Less: (i) Interest Gross	(253.99)	(263.52)
(ii) Interest income	1.30	0.98
(iii) Other Un-allocable Income net off Un-allocable expenditure	(27.96)	(35.17)
Total Profit/ (loss) before tax	(271.52)	(293.71)
3 Capital employed		
i) Segment assets:		
a. Sugar	8,164.72	8,308.86
b. Distillery	964.15	1,030.13

		(In ₹ Crore)	
Particulars	Year ended March 31, 2022	Year ended March 31, 2021	
c. Power	2,111.06	1,624.30	
d. Others	212.99	223.94	
Total	11,452.92	11,187.23	
Add: Unallocated corporate assets	1,596.82	1,948.53	
Total assets	13,049.74	13,135.76	
ii) Segment liabilities:			
a. Sugar	4,100.21	4,328.64	
b. Distillery	89.29	54.54	
c. Power	17.24	19.86	
d. Others	58.21	189.31	
Total	4,264.95	4,592.35	
Add: Unallocated corporate liabilities	6,525.70	6,171.19	
Total liabilities	10,790.65	10,763.54	
4 Capital expenditure:			
a. Sugar	0.53	0.06	
b. Distillery	5.11	2.54	
c. Power	(3.82)	(0.51)	
d. Others*	0.22	0.33	
e. Unallocated	0.39	0.11	
Total	2.43	2.53	
* Includes increase/ (decrease) due to forex fluctuation			
5 Depreciation and amortisation:			
a. Sugar	125.11	126.09	
b. Distillery	18.47	17.53	
c. Power	59.52	59.88	
d. Others	7.21	7.72	
e. Unallocated	4.35	4.49	
Total	214.66	215.71	
6 Non-cash expenditure other than depreciation:			
a. Sugar	Nil	Nil	
b. Distillery	Nil	Nil	
c. Power	Nil	Nil	
Total	Nil	Nil	

Other disclosures:

- The Company caters mostly to Indian markets. No single customer contributes more than 10% of the revenue.
- Operating segments have been identified on the basis of the nature of products and have been identified as per the quantitative criteria specified in the Ind AS.

The expenses and incomes which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocated income).

Segment assets include all operating assets used by the operating segment and mainly consist of property plant and equipment, trade receivables, cash and cash equivalents and inventories. Segment liabilities primarily include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets / liabilities.

43 The disclosures in respect of Related Parties as required under Ind AS 24 'Related Party Disclosures' is stated herein below:

a) Name of related parties**A. Directors and their relatives**

1. Mr. Kushagra Bajaj, Chairman
2. Mr. Ashok Kumar Gupta, Managing Director up to 30.06.2021
3. Mr. Alok Kumar Vaish, Managing Director w.e.f. 13.08.2021 (Chief Financial Officer up to 12.08.2021)
4. Mr. Sunil Kumar Ojha, Chief Financial Officer w.e.f. 14.08.2021
5. Mr. Kausik Adhikari, Company Secretary
6. Mrs. Roli Vaish, Wife of Mr. Alok Kumar Vaish
7. Mrs. Pragya Ojha, Wife of Mr. Sunil Kumar Ojha
8. Mrs. Susmita Adhikari, Wife of Mr. Kausik Adhikari
9. Mr. Amir Singh Yadav, Director up to 02.11.2021
10. Mr. Veer Pal Singh, Whole Time Director from 02.07.2021 to 12.08.2021
11. Mr. D.K. Shukla, Director
12. Mr. Ashok Mukand, Director
13. Mr. Vinod C. Sampat, Director
14. Mrs. Shalu Bhandari, Director
15. Mr. Atul Hasmukhrai Mehta, Director
16. Mr. Ramani Ranjan Mishra, Director w.e.f. 11.11.2021
17. Mr. Manik Trambak Hire (Whole Time Director w.e.f 01.08.2020)

B. Enterprises over which any person described in (A) above is able to exercise significant influence

1. Abhitech Developers Pvt. Ltd.
2. Bajaj Capital Ventures Private Ltd.
3. Anand Engineering Ltd.
4. Bajaj Energy Ltd.
5. Bajaj Resources Private Limited (formerly Bajaj Resources Limited)
6. Bajaj Power Ventures Private Ltd.
7. Bajaj International Realty Private Ltd.
8. Bajaj Consumer Care Ltd.
9. Shishir Bajaj Family Trust
10. SKB Roop Commercial LLP
11. Lambodar Stocks Private Ltd.
12. Lalitpur Power Generation Company Ltd.

b) Details of related party transactions:

Transactions	Directors/Key Management Personnel	Enterprises described in (B) above	Total
I. Transactions during the year			
Sale of materials / services	- (-)	3.60 (3.79)	3.60 (3.79)
Rent - Income	- (-)	3.69 (3.63)	3.69 (3.63)
Remuneration	2.99 (2.49)	- (-)	2.99 (2.49)

Transactions	Directors/Key Management Personnel	Enterprises described in (B) above	Total
Retainership Expenses	0.11 (0.03)	- (-)	0.11 (0.03)
Directors' Sitting Fees	0.27 (0.19)	- (-)	0.27 (0.19)
Gratuity - Expenses	1.11 (-)	- (-)	1.11 (-)
Interest - Paid - Expenses	- (-)	0.03 (0.02)	0.03 (0.02)
Rent - Expense	0.09 (0.06)	4.37 (4.29)	4.46 (4.36)
Business Process Services - Expense	- (-)	2.05 (2.05)	2.05 (2.05)
Repair & Maintenance - Expense	- (-)	0.00 (-)	0.00 -
Provision expenses for doubtful debts	- (-)	4.47 (0.08)	4.47 (0.08)
Provision for doubtful debts written back	- (-)	- (0.76)	- (0.76)
Debenture Issued	- (-)	12.05 (-)	12.05 (-)
Debenture Issued repaid	- (-)	1.03 (-)	1.03 (-)
Loan Given	0.05 (-)	66.32 (1.02)	66.37 (1.02)
Loan Given received back	- (-)	66.32 (1.02)	66.32 (1.02)
Loan repaid	110.50 (-)	80.85 (0.65)	191.35 (0.65)
Deposit given repaid	- (-)	3.11 (0.64)	3.11 (0.64)
Investment redemption	- (-)	266.85 (-)	266.85 (-)
Investment in Equity	- (-)	1,148.34 (-)	1,148.34 (-)
Deposit received	- (-)	35.35 (-)	35.35 (-)
Deposit received given back	- (-)	7.50 (-)	7.50 (-)
Advance paid received back	- (-)	248.00 (-)	248.00 -
II. Amounts outstanding at the Balance Sheet date			
Loan taken	0.00 (110.50)	21.03 (101.89)	21.03 (212.39)
Advance to vendor	- (-)	0.47 (0.47)	0.47 (0.47)
Deposits received	- (-)	27.85 (-)	27.85 (-)
Trade payables	0.07 (0.04)	6.82 (1.44)	6.89 (1.48)
Investments in Equity	- (-)	1,918.47 (770.13)	1,918.47 (770.13)
Trade receivable	- (-)	11.53 (9.00)	11.53 (9.00)

Transactions	Directors/Key Management Personnel	Enterprises described in (B) above	Total
Provision for doubtful debts	- (-)	4.87 (0.40)	4.87 (0.40)
Provision for doubtful advances	- (-)	0.47 (0.47)	0.47 (0.47)
Investments in Debenture	- (-)	- (266.85)	- (266.85)
Advance for land purchase	- (-)	- (248.00)	- (248.00)
Deposits given	- (-)	1.30 (4.42)	1.30 (4.42)
Loan Given	0.05 (-)	- (-)	0.05 (-)
Debenture Issued	- (-)	11.02 (-)	11.02 (-)
Guarantee/ securities given	- (-)	661.25 (661.25)	661.25 (661.25)

Notes:

- 1 Related party relationship is as identified by the Company based on the available information.
- 2 No amount has been written off or written back during the year in respect of debts due from or to related parties.
- 3 Sale of Material / Service ₹ 1.13 crore (P.Y. 0.40 crore) to Lalitpur Power Generation Company Ltd and ₹ 0/- crore (P. Y. 2.71 crore) to Bajaj Consumer Care Ltd., ₹ 1.70 crore (P.Y. ₹ 0.68 crore) to Bajaj Energy Ltd and ₹ 0.77 crore (P.Y. 0/-) to Shishir Bajaj Family Trust.
- 4 Rent income ₹ 3.41 crore (P.Y. ₹ 3.38 crore) from Bajaj Energy Ltd, ₹ 0.27 crore (P.Y. ₹ 0.24 crore) from Lalitpur Power Generation Company Ltd., ₹ 46,445/- (P.Y. 45,312/-). from Anand Engineering Ltd.
- 5 Remuneration includes ₹ 0.53 crore (P.Y. ₹ 1.42 crore) to Mr. A.K. Gupta, ₹ 1.14 crore (P.Y. ₹ 0.75 crore) to Mr. Alok Vaish, ₹ 0.75 crore (P.Y. ₹ 0/-) to Mr. Sunil Kumar Ojha, ₹ 0.36 crore (P.Y. ₹ 0.22 crore) to Mr. Kausik Adhikari, ₹ 0.06 crore (P.Y. 0/-) to Mr. Veerpal Singh and ₹ 0.16 crore (P.Y. ₹ 0.09 crore) to Mr. Manik Trambak Hire.
- 6 Gratuity expenses includes ₹ 1.11 crore (P.Y. ₹ 0/-) to Mr. A.K. Gupta.
- 7 Retainership Expenses includes ₹ 0.11 crore (P.Y. 0.03 crore) to Mrs. Roli Vaish.
- 8 Directors' sitting fees include ₹ 0.01 crore to Mr. Kushagra Bajaj, ₹ 0.06 crore to Mr. D. K. Shukla, ₹ 0.04 crore to Mr. Ashok Mukund, ₹ 0.04 crore to Mr. Vinod C. Sampat, ₹ 0.06 crore to Mrs. Shalu Bhandari, ₹ 0.04 crore to Mr. Atul Hasmukhrai Mehta, ₹ 0.02 crore to Mr. Ramani Ranjan Mishra.
- 9 Interest Paid includes ₹ 0/- (P.Y. 0.01 crores) to Abhitech Developers Pvt Ltd and ₹ 0.03 crore (P.Y. 0.01 crore) to Bajaj Capital Venture Pvt Ltd
- 10 Rent expense includes ₹ 0.94 crore (P.Y. ₹ 0.94 crore) to Bajaj Capital Ventures Pvt. Ltd., ₹ 2.24 crore (P.Y. ₹ 2.23 crore) to Shishir Bajaj Family Trust, ₹ 1.14 crore (P.Y. ₹ 1.01 crore) to Bajaj Resources Ltd, ₹ 0.06 crore (P.Y. ₹ 0.11 crore) to Abhitech Developers Pvt Ltd, ₹ 0.04 crore (P.Y. 0.03 crore) to Mrs. Roli Vaish, ₹ 0.02 crore (P.Y. ₹ 0/-) to Mrs. Pragma Ojha, ₹ 0.03 crore (P.Y. ₹ 0.03 crore) to Mrs. Susmita Adhikari.
- 11 Business process services ₹ 2.05 crore (P.Y. ₹ 2.05 crore) to Abhitech Developers Pvt. Ltd.
- 12 Repair & Maintenance Expenses includes ₹ 44,510 (P.Y. 0/-) to Bajaj Energy Ltd.
- 13 Provision expenses for doubtful debts includes ₹ 0.17 crore (P.Y. ₹ 0/-) for Bajaj Energy Limited and ₹ 4.30 crore (P.Y. ₹ 0.08 crore) for Lalitpur Power Generation Company Limited,
- 14 Provision expenses for doubtful debts written back includes ₹ 0.00 crore (P.Y. ₹ 0.76 crore) for Bajaj Energy Limited, and ₹ 0/- (P.Y. ₹ 227 crore) for Anand Engineering Ltd.

- 15 Loan taken repaid includes ₹ 110.50 crore (P.Y. 0/-) to Mr. Kushagra Bajaj through equity conversion, ₹ 80.47 crore (P.Y. 0/-) to SKB Roop Commercial LLP through equity conversion, ₹ 0.38 crore (P.Y. 0/-) to Bajaj Capital Venture Pvt. Ltd and ₹ 0.01 crore (P.Y. 0/-) to Abhitech Developers Pvt Ltd.
- 16 Deposit given repaid includes ₹ 3.11 crore (P. Y. 0.64 crore) to Abhitech Developers Pvt. Ltd.
- 17 Loan Given includes ₹ 66.32 crore (P.Y.0/-) to Lambodar Stocks Pvt. Ltd and ₹ 0.05 crore to Mr. Manik Trambak.
- 18 Loan Given received back includes ₹ 66.32 crore (P.Y.0/-) to Lambodar Stocks Pvt. Ltd.
- 19 Debenture Issued includes ₹ 11.02 crore (P.Y.0/-) to Lambodar Stocks Pvt. Ltd and ₹ 1.03 crore (P.Y. 0/-) to Anand Engineering Limited.
- 20 Debenture Issued - redeemed includes ₹ 1.03 crore (P.Y. 0/-) to Anand Engineering Limited.
- 21 Investment in equity includes ₹ 1,148.34 crore (P.Y. 0/-) into Bajaj Power Ventures Private Limited
- 22 Investment redemption includes redemption of ZOC of ₹ 266.85 crore of Lambodar Stocks Pvt. Ltd.
- 23 Advance to vendor received back includes ₹ 248 crore from Lambodar Stocks Pvt. Ltd.
- 24 Deposit received includes ₹ 35.35 crore from Bajaj Resources Pvt. Limited
- 25 Deposit received given back includes ₹ 7.50 crore to Bajaj Resources Pvt. Limited
- 26 Restructured term loan from banks aggregating to ₹ 4,778.73 crore are secured by personal guarantee of Mr. Kushagra Bajaj (Chairman) and corporate guarantee by M/s Bajaj International Realty Private Ltd. (a promoter group company) and pledge of entire shares held by the promoters of the Company.
- 27 The transactions with related parties are made on terms equivalent to those that prevail in arm's-length transactions. Outstanding balances year-end are unsecured except as stated above and settlement occurs in cash.
- 28 Outstanding balance of Loans Taken includes ₹ 4/- (P.Y. ₹ 110.50 crore) from Mr. Kushagra Bajaj, ₹ 9.03 crore (P.Y. ₹ 89.50 crore) from SKB Roop Commercial LLP, ₹ 6.50 crore (P.Y. ₹ 6.50 crore) from Shishir Bajaj Family Trust, ₹ 1.39 crore (P.Y. ₹ 1.39 crore) from Anand Engineering Limited, ₹ 4.11 crore (P.Y. ₹ 4.11 crore) from Lambodar Stocks Private Limited. ₹ 0/- crore (P.Y. 0.01) from Abhitech Developers Pvt Ltd, ₹ 0/- crore (P.Y. 0.38 crore) from Bajaj Capital Venture Pvt Ltd.
- 29 Outstanding balance of Trade Payables includes ₹ 0.05 crore (P.Y. ₹ 1.28 crore) of Abhitech Developers Pvt. Ltd., ₹ 1.30 crore (P.Y. ₹ 0.58 crore) of Bajaj Capital Venture Pvt. Ltd., ₹ 4.38 crore (P.Y. ₹ 2.40 crore) of Shishir Bajaj Family Trust, ₹ 1.10 crore (P.Y. ₹ 0.04 crore) of Bajaj Resources Ltd, ₹ 0.02 crore (P.Y. ₹ 0.01 crore) of Mrs. Roli Vaish, ₹ 0.02 crore of Mrs. Pragya Ojha, ₹ 0.03 crore (P.Y. ₹ 0.03 crore) of Mrs. Susmita Adhikari.
- 30 Balance of Trade Receivables includes ₹ 5.61 crore (P.Y. 3.83 crore) of Bajaj Energy Limited, and ₹ 5.92 crore (P.Y. ₹ 5.17 crore) of Lalitpur Power Generation Company Limited.
- 31 Outstanding balance of Provision for doubtful debts includes ₹ 0.48 crore (P.Y. ₹ 0.31 crore) for Bajaj Energy Limited, ₹ 4.39 crore (P.Y. ₹ 0.09 crore) for Lalitpur Power Generation Company Limited.
- 32 Balance of Advance to vendor includes ₹ 0.47 crore (P.Y. ₹ 0.47 crore) to Anand Engineering Limited.
- 33 Outstanding balance of Provision for doubtful advance includes ₹ 0.47 crore (P.Y. ₹ 0/- crore) for Anand Engineering Limited.
- 34 Balance of Investment includes ₹ 770.13 crore in 1,54,39,900 (P.Y. 1,54,39,900) Shares of Lalitpur Power Generation Company Ltd. of ₹10/- each and ₹ 1,148.34 crore in 10,43,94,602 (P.Y. NIL) Equity Shares of Bajaj Power Ventures Private Limited of ₹10/- each.
- 35 Outstanding balance of Debenture Issued includes ₹ 11.02 crore (P.Y. 0/-) to Lambodar Stocks Pvt. Ltd.
- 36 Balance of Deposit given include ₹ 0.38 crore (P.Y. ₹ 0.38 crore) to Bajaj Capital Venture Private Limited, ₹ 0.90 crore (P.Y. ₹ 0.90 crore) to Shishir Bajaj Family Trust and ₹ 0.02/- (P.Y. ₹ 3.14 crore) to Abhitech Developers Private Limited.

- 37 Outstanding balance of Deposit Received from customer includes ₹ 27.85 crore from Bajaj Resources Limited
- 44 a) At the request of the Company, the Joint lenders' forum (JLF Lenders) led by State Bank of India has approved the corrective action plan for restructuring of credit facilities on December 03, 2014 under JLF route in accordance with the applicable framework and guidelines issued by Reserve Bank of India. Accordingly, a Master Restructuring Agreement (MRA) has been signed on December 30, 2014 among the Company and JLF lenders, by virtue of which the restructured facilities are governed by the provisions specified in the said MRA. The cut-off date for restructuring under JLF route is July 31, 2014.
- b) The MRA as well as guidelines of Reserve Bank of India issued on debt restructuring under JLF route give a right to the JLF lenders to get recompense of their waivers and sacrifices made as per corrective action plan. The recompense payable by the Company is contingent on various factors including improved performance of the Company and many other conditions, the outcome of which currently is materially uncertain and hence the proportionate amount payable as recompense is treated as a contingent liability. The aggregate present value of recompense till March 31, 2022 payable to the JLF lenders as per MRA is approximately ₹ 328.03 crore for the Company.
- c) As per terms of above restructuring approved by lenders, the Promoters were required to bring promoter contribution amounting to ₹ 200 crore in phased manner till September 2015 in the form of equity capital/preference capital/unsecured loan/other similar instruments. An amount of ₹200 crore has been brought by promoters as unsecured loan within stipulated period.
- d) For restructuring of certain outstanding debts of the Company, the Joint Lenders' forum (JLF) of the Company adopted the scheme for sustainable structuring of stressed assets (S4A Scheme) with reference date as June 23, 2017, which was approved by the overseeing committee (OC) on November 30, 2017. As per the S4A Scheme, the total fund based debt of ₹ 8,284.59 crore (including funded interest of ₹ 354.51 crore), were bifurcated in two parts – 57.81% as Part A (Sustainable Debt) amounting to ₹ 4,789.34 crore to be serviced as per existing terms and conditions of these debts and remainder 42.19% as Part B (Unsustainable Debt) amounting to ₹ 3,495.25 crore. While a sum of ₹ 12.00 crore has been adjusted against the consideration payable to Promoters towards transfer of 11,99,87,344 equity shares, at a price of ₹ 1/- per equity share, to JLF lenders and the balance ₹ 3,483.25 crore has been converted into optionally convertible debentures allotted to the JLF lenders. Further the MFA (Master Framework Agreement) has an observation to recover the outstanding loans and advances, as specified in agreement, in phased manner, but no timeline has been stipulated.

Promoter / Promoters' group has transferred 11,99,87,344 (10.59%) equity shares, at ₹ 1/- per equity share, to JLF lenders, resulting in reduction of Promoter holding from 26.02% to 15.43% in accordance with the S4A Scheme.

45 Financial Risk Management

The Group's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risks which the entity is exposed to and how it mitigates that risk.

A Credit risk

Credit risk arises from the possibility that counterparty may not be able to settle their obligations as agreed. The Group is exposed to credit risk from trade receivables, loan given, advances and deposits with banks. To manage this, the Company periodically assesses the financial reliability of customers, taking into account factors such as credit track record in the market and past dealings with the Group for extension of credit to customers. The Group monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. Concentrations of credit risk are limited as a result of the Group's large and diverse customer base. The Group has also taken advances and security deposits from its customers/agents, which mitigate the credit risk to an extent. The ageing of trade receivable is given below:

(In ₹ Crore)

	Up to 6 months	More than 6 months	Total
As at March 31, 2022	196.94	17.36	214.30
As at March 31, 2021	193.83	19.31	213.14

Following table summarises the change in loss allowances measured using lifetime expected credit loss model. No significant changes in the estimation techniques or assumption were made during the period.

Particulars	(In ₹ Crore)
As at April 01, 2020	12.57
Provided during the year	(0.09)
Amounts written off	0.01
As at March 31, 2021	12.49
Provided during the year	4.44
As at March 31, 2022	16.93

The Group considers factors such as track record, size of the institution, market reputation and service standards to select the comparative banks with which loan-term deposits are maintained. Generally, term deposits are maintained with banks with which Group has also availed borrowings.

B Liquidity risk

Liquidity risk is the risk that a Group may encounter difficulties in meeting its obligations associated with financial liabilities that are settled by delivering cash or other financial assets. The Group monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs. The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

(In ₹ Crore)

Particulars	As at March 31, 2022				Total
	Carrying amount	On demand	0-12 months	More than 12 months	
Borrowings	5,354.80	-	543.01	4,811.79	5,354.80
Trade payables	4,094.73	4,094.73	-	-	4,094.73
Other financial liabilities (Includes lease)	112.15	-	109.69	2.46	112.15
Total	9,561.68	4,094.73	652.70	4,814.25	9,561.68

Particulars	As at March 31, 2021				Total
	Carrying amount	On demand	0-12 months	More than 12 months	
Borrowings	5,981.22	-	579.09	5,402.13	5,981.22
Trade payables	4,461.72	4,461.72	-	-	4,461.72
Other financial liabilities (Includes lease)	22.77	-	17.93	4.84	22.77
Total	10,465.71	4,461.72	597.02	5,406.97	10,465.71

C Market risk

The Group is exposed to the risk of movements in interest rates, inventory price and foreign currency exchange rates that affects its assets, liabilities and future transactions.

i) Interest rate risk

Fluctuation in fair value or future cash flows of a financial instrument because of changes in market interest rates gives rise to interest rate risk. Almost 100% of the Group's borrowings are linked to SBI base rate of the banks. With all other variables held constant, the following table demonstrates the impact of change in interest rate on borrowing cost on floating rate portion of loans.

(In ₹ Crore)			
Rate sensitivity	Increase / Decrease in basis point	Effect on Profit before tax	
For year ended March 31, 2022	100	+ / (-)	48.12
For year ended March 31, 2021	100	+ / (-)	54.02

ii) Inventory price risk

The Group is exposed to the movement in price of principal finished product i.e. sugar & alcohol. Prices of the sugar cane is fixed by government. Generally, sugar production is carried out during sugar cane harvesting period from November to April. Sugar is sold throughout the year which exposes the sugar inventory to the movement in the price. The Group monitors the sugar prices on daily basis and formulates the sales strategy to achieve maximum realisation. The sensitivity analysis of the change in sugar price on the inventory as at year end, other factors remaining constant is given in table below:

(In ₹ Crore)			
Rate sensitivity	Increase / Decrease in sale price	Effect on Profit before tax	
For year ended March 31, 2022	₹ 1	+ / (-)	0.64
For year ended March 31, 2021	₹ 1	+ / (-)	0.66

iii) Foreign exchange risk

Foreign currency risk arises commercial transactions that recognised assets and liabilities denominated in a currency that is not Group's functional currency (INR). The Group is not exposed to significant foreign exchange risk at the respective reporting dates.

Bajaj Aviation Pvt Ltd, one of the subsidiary of the Group, procure spares parts, training and maintenance services for Aircraft and Helicopter in foreign currency consequently it exposures to exchange rate fluctuations.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Currency	Year ended March 31, 2022	Year ended March 31, 2021
USD	2,52,907.58	1,45,441.78

Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity of profit before tax to a reasonably possible change in USD exchange rates, with all other variables held constant.

Change in currency rate	Currency	Impact on statement of profit and loss	Year ended March 31, 2022 ₹	Year ended March 31, 2021 ₹
Increase by 5%	USD	(-)	9,58,646	5,34,533
Decrease by 5%	USD	+	9,58,646	5,34,533

46 Fair value of financial assets and financial liabilities

Financial instruments measured at fair value can be divided into three levels for determining and disclosing the fair value of financial instruments by valuation technique.

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3 – Inputs for the asset or liability that are not based on observable market data.

Following methods and assumptions are used to estimate the fair values:

- Fair value of cash and short-term deposits, trade and other short-term receivables, trade payables, other current liabilities and short-term borrowings carried at amortised cost is not materially different from its carrying cost largely due to short-term maturities of these financial assets and liabilities.
- Financial instruments with fixed and variable interest rate fall within level 2 of the fair value hierarchy and are evaluated by the Group based on parameters such as interest rate, credit rating or assessed credit worthiness.
- Non-listed shares and other securities fall within level 3 of the fair value hierarchy and valued as per Ind AS 113.
- Fair value of the borrowing items fall within level 2 of the fair value hierarchy and is calculated on the basis of discounted future cash flows.

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial instruments that are recognised in the consolidated financial statements.

(In ₹ Crore)

Particulars	As at March 31, 2022			
	Carrying amount	Level 1	Level 2	Level 3
Financial Assets at amortised cost				
Trade receivables	214.30	-	-	-
Cash and cash equivalents	51.73	-	-	-
Other bank balances	13.67	-	-	-
Loans - current	451.06	-	-	-
Total	730.76	-	-	-
Financial assets at fair value through Other comprehensive income				
Investments	1,918.47	-	-	1,918.47
Total	1,918.47	-	-	1,918.47
Financial assets at fair value through Profit & Loss				
Investments	-	-	-	-
Total	-	-	-	-

(In ₹ Crore)

Particulars	As at March 31, 2022			
	Carrying amount	Level 1	Level 2	Level 3
Financial liabilities at amortised cost				
Borrowings – non current	4,243.82	-	-	-
Borrowing – current	567.97	-	-	-
Trade payables	4,094.73	-	-	-
Lease liabilities	4.84	-	-	-
Other financial liabilities-current	107.31	-	-	-
Total	9,018.67	-	-	-

Particulars	As at March 31, 2021			
	Carrying amount	Level 1	Level 2	Level 3
(In ₹ Crore)				
Financial Assets at amortised cost				
Trade receivable	213.14	-	-	-
Cash and cash equivalents	73.78	-	-	-
Other bank balances	13.14	-	-	-
Loans - current	1,092.03	-	-	-
Total	1,392.09	-	-	-
Financial assets at fair value through Other comprehensive income				
Investments	818.03	-	-	818.03
Total	818.03	-	-	818.03
Financial assets at fair value through Profit & Loss				
Investments	266.85			266.85
Total	266.85	-	-	266.85
Financial liabilities at amortised cost				
Borrowings – non current	4,802.32	-	-	-
Borrowing – current	599.81	-	-	-
Trade payables	4,461.72	-	-	-
Lease liabilities	7.27	-	-	-
Other financial liabilities-current	15.50	-	-	-
Total	9,886.62	-	-	-

During the year ended March 31, 2022 and March 31, 2021, there was no transfers between level 2 and level 3 fair value hierarchy.

Following table shows the reconciliation from the opening balances to the closing balances of the level 3 values.

	(In ₹ Crore)
Balance as on April 1, 2020	1,136.32
Less: Fair value loss recognised in Other Comprehensive Income	(51.44)
Balance as on April 1, 2021	1,084.88
Less: Fair value loss recognised in Other Comprehensive Income	(47.90)
Less: Redemption	(266.85)
Add: Investment in equity	1,148.34
Balance as on March 31, 2022	1,918.47

47 The Parent Company has exposure aggregating to ₹ 503.18 crore in other company, by way of investments, loans, accumulated interest on these loans and receivables. Management believes that investment made, loan given and receivables due from Other company is considered good and recoverable based on the future business plan of this company and on-going efforts towards obligation casted on the Holding Company and its promoters to recover the outstanding loans in phased manner and accordingly no provision other than those already accounted for, has been considered necessary. Auditors have drawn emphasis of matter in their audit report. Further on the basis of principle of conservatism and prudence, the Parent Company has not recognised interest income on inter corporate debts for the quarter and year ended on March 31, 2022 of ₹ 8.72 crore and ₹ 37.51 crore respectively, as and when it is recoverable it will be recognised in the books.

48 The Group has not entered into any transactions with the companies struck off under 248 of the Companies Act 2013 or under section 560 of Companies Act 1956, and does not carry any balance/(s) outstanding to or from any such entity.

49 Information about leases

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

(In ₹ Crore)		
Particulars	March 31, 2022	March 31, 2021
Short-term leases	3.04	5.93
Total	3.04	5.93

- 2 Cash flow related information

(In ₹ Crore)		
Particulars	March 31, 2022	March 31, 2021
Total cash outflow in respect of leases in the year	6.18	8.71

- 3 The undiscounted maturity analysis of lease liability is as follows:

(In ₹ Crore)					
Particulars	Within 1 year	1-2 years	2-3 years	3-4 years	Total
March 31, 2022					
Lease payments	2.38	2.42	0.03	-	4.84
Finance charge*	0.43	0.15	0.00	-	0.58
March 31, 2021					
Lease payments	2.44	2.38	2.42	0.03	7.28
Finance charge*	0.71	0.43	0.15	0.00	1.29

*Finance Charges in 2-3 & 3-4 years ₹ 3,313/

For Depreciation charge on right-of-use assets (refer note 37)

For Interest expenses on lease liabilities (refer note 36)

The carrying amount of right-of-use assets at the end of the reporting period (refer note 5 (b))

- 50 The Company and its erstwhile subsidiary Bajaj Hindusthan Sugar & Industries Limited (BHSIL, merged with the Company in 2010) had made requisite minimum capital investment and established an aggregate of 11 new sugar mills and 4 distillery units and also expanded capacity of sugar mills during the years 2004 to 2008. All those mills were established & commercial production started within the time prescribed under the policy i.e. March 31, 2008. As per the Sugar Industry Promotion Policy, 2004 announced by the Government of Uttar Pradesh, the Company was entitled to various benefits in the form of grant of certain exemptions / incentives as also reimbursements of certain expenses and capital subsidy, available to the eligible entrepreneurs based on the requisite investments in setting up new mills and or on capacity expansion of sugar units in state of U.P. On making the requisite investment within prescribed period of implementation, the "Eligibility Certificate" has already been received for the Company and further procedural instructions have also been issued by the State authorities to field formation through each jurisdictional authority in the respective districts to allow the benefits to the 8 new sugar mills & 3 distilleries on starting their commercial production, however the same is awaited for 3 new sugar mills, 1 distillery and for expansion of 1 mill of erstwhile BHSIL; all the claims have been filed by the company within stipulated time as per the scheme. Till date the Company has also availed & received partial benefits including reimbursement of capital subsidy amount. However, due to an abrupt withdrawal / discontinuation of policy in the year 2007, the balance amount of benefits and the eligibility certificate and procedural instructions to field formation in respect of these 3 new sugar mills and one distillery and further for expansion of one mill of erstwhile subsidiary BHSIL (subsequently merged with the Company) is held up. Consequently, the Current Assets include a sum of ₹ 592.38 crores towards the aforesaid claims under 2004 Policy. Since the authorities started denying the benefits, so the Company challenged in the Hon'ble High Court of Allahabad all such denial orders of the Government based on the abrupt withdrawal / discontinuing the policy with effect from 04.06.2007. Basically the withdrawal of the policy w.e.f. 04.06.2007 was a preponing process of date of completion of projects i.e. 31.03.2008 which otherwise was not relevant in the case of the Company since it has already completed the installation and started the commercial production within the prescribed date and became eligible to avail the benefits envisaged. The Hon'ble High Court upheld the stand of the Company and held that the withdrawal sugar promotion policy was arbitrary and without the application of mind. The

Government of U.P. preferred to file an SLP before the Hon'ble Supreme Court against the orders of the Hon'ble High Court of Allahabad. The Hon'ble Supreme Court turned down the stand of the Government of U.P. and declined to interfere in the order of the Hon'ble High Court vide its order dated 07.03.2018.

Given the series of orders, and finally, from the Hon'ble Supreme Court, the Company again approached the Cane Commissioner of U.P. for release of its claims. The Cane Commissioner vide its letter dated 07.06.2018 asked the Company to re-submit the claim papers again in the office of Cane Commissioner. The Company again filed all the complete claim papers in the prescribed formats along with a detailed representation. The Company regularly followed up with the office of Cane Commissioner for settlement of its claims; and because of unreasonable delay in settlement of the Company's claims, the Company filed a contempt petition in the Hon'ble Supreme Court. The Cane Commissioner declined the claim of the Company on unfounded grounds. In the contempt petition filed by the Company in Hon'ble Supreme Court, the court expressed the view that the matter involves issues which cannot be determined while exercising contempt jurisdiction. Hence the petitioner (the Company), may approach the Court having original jurisdiction for the matter. The Company has filed the writ petition in the Hon'ble High Court of Allahabad; presently the matter sub-judice in the Hon'ble High Court of Allahabad.

- 51** The Group has evaluated the impact of COVID-19 pandemic on production activities, costs and sales and other business activities. The Group has concluded that the impact of COVID-19 pandemic, is not significant based on the estimates. Due to the nature of the COVID-19 pandemic, the Group will continue to monitor developments to identify significant uncertainties relating to revenue in future periods as the situation evolves. All the factors, internal and external known to the management up to the date of approval of these consolidated financial statements has been considered to assess and finalise the carrying amounts of its assets and liabilities.
- 52** For the year ended March 31, 2022, and in earlier years, the Group had incurred losses resulting in the reduction of net worth to such extent. The losses in Parent Company were mainly attributable to high raw material prices (i.e., sugarcane) and other inputs costs, relatively lower realisation of sugar, higher depreciation and finance expenses. Market forces determine sugar prices based on the demand-supply situation and other market dynamics, which are external factors, and the sugar prices have been relatively lower over the years due to higher production of sugar in the country.

The Parent Company is continuously striving to improve its operational efficiency and operating parameters by way of improvement in sugar recovery, increase in production of alcohol/ethanol by using B-heavy molasses, reduction of overheads, finance, other costs and monetisation of certain non-core assets etc.

The debt restructuring as per RBI's S4A Scheme has somewhat improved the Parent Company's liquidity position. However, keeping in view the status of outstanding cane dues and funds for servicing debt obligations, the Parent Company is further discussing with the lenders a debt resolution plan to have a lasting solution to improve its liquidity. The resolution plan envisages reduction of its overall debt, realignment of its capital structure, payment of cane dues of farmers, increasing cane availability and supply etc. The Parent Company is also exploring/evaluating various options for corporate restructuring to streamline the business and enhance the Group's value.

The Government has also taken various measures to improve the financial health of the sugar industry in recent past, like MIEQ, buffer stock subsidy, fixing MSP for sugar; increased ethanol prices etc. Presently, the Government has put a great thrust on promoting ethanol production and has planned to increase the ethanol blending in petrol up to 20% by 2025. Ethanol will turn around the economic dynamics of the sugar industry positively. All these measures are expected to turn around the operations of the sugar industry on a sustainable basis. The Parent Company also expects to receive accrued benefits under the Sugar Industries Promotion Policy 2004 for which it is entitled, but presently, the matter is sub-judice.

The management expects to generate positive cash flow from operation in view of the above. Accordingly, the consolidated financial statements are presented on a going concern basis, which contemplates the realisation of assets and settlement of liabilities in the ordinary course of business. This matter has been referred by auditors in their audit report.

53 Ratios

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Sr. No.	Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% Variance
1	Current Ratio	Current Assets	Current Liabilities	1.03	1.08	-4.80%
2	Debt-Equity Ratio	Total Debt*	Shareholder's Equity	2.13	2.28	-6.47%
3	Debt-Service Coverage Ratio (DSCR)	Earnings available for debt service**	Debt repayment and interest payment during current year	0.29	0.42	-29.82%
4	Return on Equity Ratio (ROE)	Net profit / (loss) after taxes	Average shareholder's equity	(0.12)	(0.11)	0.70%
5	Inventory Turnover Ratio	Sales	Average inventory	2.18	2.60	-16.39%
6	Trade Receivable Turnover Ratio	Sales	Average trade receivables	25.73	34.32	-25.02%
7	Trade Payables Turnover Ratio	Purchase of material, services and other expenses (as per P&L)	Average trade payables	1.23	1.34	-8.37%
8	Net Capital Turnover Ratio	Sales	Average net working capital	19.35	9.72	99.11%
9	Net Profit Ratio	Net profit / (loss) before taxes	Sales	-4.94%	-4.48%	10.21%
10	Return on Capital Employed (ROCE)	Earning before interest and taxes (EBIT)	Capital employed***	-0.25%	-0.38%	-35.74%
11	Return on Investment					

*Total Debt excludes lease liability

**Earnings available for debt service=Net profit before tax+Interest+Depreciation+Non cash adjustments+Loss on sales of assets

***Capital employed=Total Assets - current liabilities

Note

- Debt-Service Coverage Ratio (DSCR):** In the current year DSCR (Debt Service Coverage Ratio) has come down by 29.82% (from 0.42 in FY 2020-21 to 0.29 in FY 2021-22) because during previous year FY 2020-21 the debt and interest service was lower. Pursuant to the RBI (Reserve Bank of India) circular no. RBI/2019-20/186 dated March 27, 2020, and RBI letter dated May 22, 2020, due to pandemic COVID-19, permitting the banks to grant six months moratorium on repayment of loan and payment of interest falling due during March 1, 2020, and August 31, 2020. Further, the unpaid part instalment of March 2021 has been paid during FY 22 ₹ 121.76 crore.
- Trade Receivable Turnover Ratio:** In the current year TRTR (Trade Receivable Turnover Ratio) has come down by 25.02% (from 34.32 in FY 2020-21 to 25.73 in FY 2021-22) because alcohol sales to Oil companies has increased as compared to previous year hence there has been some increase in average trade receivables. Due to lower crushing and lower carryover stock of sugar the overall revenue lowered (Numerator); hence the Trade Receivable Turnover Ratio reduced.
- Net Capital Turnover Ratio:** In the current year NCTR (Net Capital Turnover Ratio) has improved by 99.11% (from 9.72 in FY 2020-21 to 19.35 in FY 2021-22) due to lower turnover (Numerator) and decrease in net working capital (Denominator).
- Return on Capital Employed:** In the current year ROCE (Return of capital Employed) has come down by 35.74% (from 0.38 in FY 2020-21 to 0.25% in FY 21-22) since the earning was negative in current and previous year, In the current year, the loss has come down, hence the loss on capital employed reduced.

54 Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/Associate

Name of Enterprises	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ Crore)	As % of consolidated profit or loss	Amount (₹ Crore)	As % of consolidated other comprehensive income	Amount (₹ Crore)	As % of consolidated total comprehensive income	Amount (₹ Crore)
Parent	50.00%	1,138.10	100.00%	(267.72)	101.00%	28.25	100.00%	(239.47)
Subsidiaries								
Indian								
1. Bajaj Aviation Private Ltd.	-2.00%	(39.26)	-3.00%	7.08	0.00%	-	-3.00%	7.08
2. Bajaj Power Generation Private Ltd.	51.00%	1,162.26	2.00%	(5.84)	0.00%	-		(5.84)
Foreign								
1. Bajaj Hindusthan (Singapore) Pte. Ltd.	0.00%	(1.58)	0.00%	(0.05)	0.00%	0.15	0.00%	0.10
2. PT. Batu Bumi Persada, Indonesia	0.00%	2.39	0.00%	(0.05)	0.00%	(0.03)	0.00%	(0.08)
3. PT. Jangkar Prima, Indonesia	0.00%	(2.82)	0.00%	(0.96)	0.00%	(0.44)	1.00%	(1.40)
Non controlling interests in all subsidiaries foreign								
1. PT. Batu Bumi Persada, Indonesia	0.00%	0.00	0.00%	0.00				
2. PT. Jangkar Prima, Indonesia	0.00%	-	0.00%	0.00				

55 The consolidated financial statements were approved for issue by the Board of Directors, at its meeting held on May 20, 2022.

56 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".

Signature to Notes "1" to "56".

As per our Report of even date

For Sidharth N Jain & Company
Firm Registration No.018311C
Chartered Accountants

Sidharth Jain
Proprietor
Membership No. 134684
Lucknow

Sunil Kumar Ojha
Chief Financial Officer
M. No. ACA 400837

Kausik Adhikari
Company Secretary
M. No. ACS 18556

Atul Hasmukhrai Mehta
Director
DIN 00112451

D.K. Shukla
Director
DIN 00025409

For and on behalf of the Board

Kushagra Bajaj
Chairman
DIN 00017575

Ajay Kumar Sharma
Managing Director
DIN 09607745

Vinod C. Sampat
Director
DIN 09024617

Shalu Bhandari
Director
DIN 00012556

Mumbai, May 20, 2022

**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

Sl. No.	1	2	3	4	5
Name of the subsidiary	Bajaj Aviation Pvt. Ltd.	Bajaj Power Generation Pvt. Ltd.	Bajaj Hindusthan (Singapore) Pvt. Ltd., Singapore #	PT. Batu Bumi Persada, Indonesia \$	PT. Jangkar Prima, Indonesia \$
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period			01-Jan-2021 to 31-Dec-2021	01-Jan-2021 to 31-Dec-2021
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
3	Share capital	5.00	0.02	150.85	2.64
4	Other equity	(108.31)	(468.94)	(42.79)	(3.30)
5	Total assets	47.61	1,174.34	123.61	3.23
6	Total Liabilities	150.92	1,643.26	15.55	3.89
7	Investments @	-	1,148.34	-	-
8	Turnover *	23.71	0.50	-	-
9	Profit before taxation	(1.66)	(468.56)	(0.05)	(0.15)
10	Provision for taxation	-	0.13	-	-
11	Profit after taxation	(1.66)	(468.68)	(0.05)	(0.15)
12	Proposed Dividend	-	-	-	-
13	% of shareholding	100%	100%	100%	99%

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 31.03.2022 i.e. 1 USD = INR 75.8071

\$ 4 The financial statements are translated at the exchange rate as on 31.03.2022 i.e. (1 USD = IDR 14349) and (1 USD = INR 75.8071)

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates	Bajaj Ebiz Private Ltd.	Esugarindia Ltd.
1. Latest audited Balance Sheet Date	March 31, 2021	March 31, 2021
2. Shares of Associate held by the Company on the year end		
Nos.	11,48,400	9,000
Amount of Investment in Associates (₹ Crore)	1.15	0.01
Extent of holding %	49.50%	Bajaj Ebiz Pvt Ltd. holding of 69.67% Shares
3. Description of how there is significant influence	There is a significant influence due to percentage of shareholding	There is a significant influence due to percentage of shareholding
4. Reason why the associate is not consolidated	See Note	See Note
5. Net worth attributable to Shareholding as per latest audited Balance Sheet (₹ Crore)	-	-
6. Profit / (Loss) for the year (₹ Crore)	-	-
i. Considered in consolidation (₹ Crore)	-	-
ii. Not Considered in Consolidation (₹ Crore)	-	-

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

