

December 1, 2017

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

**Sub: Overseeing Committee (OC) Approval for implementation of S4A Resolution Plan**

Further to the intimation dated October 27, 2017, we would like to inform that the "S4A Resolution Plan" proposal submitted by lead bank (State Bank of India) on behalf of Joint Lenders' Forum for the Company (JLF) to Overseeing Committee (OC) have been considered and approved for implementation. The key highlights of the Scheme and implementation thereof is stated hereunder:

- a. Out of total debt of Rs. 8284.59 Cr. considered under the S4A Scheme, the Sustainable Debt (Part A) is considered at Rs. 4789.35 Cr. (57.81.%) whereas balance debt of Rs. 3495.25 (42.19%) is considered as Unsustainable Debt (Part B).
- b. RBI's S4A framework stipulates dilution in Promoters' shareholding at least in the same proportion as that of Part B to total debt. Accordingly, the promoter shall dilute their shareholding from the current level of 26.02% to 15.43% by way of sale of a part of its shareholding to the JLF Members. Promoters of the Company will have a right of first refusal (ROFR) over the equity shares/OCDs held by the JLF Lenders.
- c. For Part A, interest and principal obligation of Term Loan and Working Capital will continue as per the existing repayment schedule. Debt servicing shall be made out of cash flows from operations, without any change in terms of repayment.
- d. For Part B, a portion of Rs. 12 Cr. will be adjusted against the sale consideration payable by the JLF members to the promoters towards aforesaid dilution and the balance portion of Part B of Rs. 3483.25 Cr. would be converted into Optionally Convertible Debentures (OCDs) as per the terms and conditions stipulated in the S4A Resolution Plan.

The Company has initiated necessary steps to implement the above scheme which would broadly cover the following:

- a. Final approval by individual JLF lenders for implementation of the Scheme.
- b. Execution of S4A documents with lenders.
- c. Necessary approval from the shareholders.

Once implemented the Scheme would help the Company to reduce its interest cost to the extent of interest on the unsustainable portion (Part B) of its debt.

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

Thanking you.

For **BAJAJ HINDUSTHAN SUGAR LIMITED**

  
Pradeep Parakh

**Group President (GRC) & Co. Secretary**