



Bajaj Hindusthan Sugar Ltd.

CIN: L15420UP1931PLC065243

Regd. Office: Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh- 262802

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

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2020

₹(crore)

| Sl. No. | Particulars | Standalone | | | | | |
|---------|---|----------------|--------------------------|------------------------------|------------------------|------------------------------|---------------------|
| | | 3 Months ended | Preceding 3 Months ended | Corresponding 3 Months ended | Current 9 Months ended | Corresponding 9 Months ended | Previous year ended |
| | | 31.12.2020 | 30.09.2020 | 31.12.2019 | 31.12.2020 | 31.12.2019 | 31.03.2020 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1. | Income | | | | | | |
| | (a) Revenue from operations | 1,763.47 | 1,571.30 | 1,722.78 | 4,671.75 | 4,803.66 | 6,665.60 |
| | (b) Other income | 4.33 | 6.75 | 2.47 | 13.22 | 8.80 | 11.01 |
| | Total Income | 1,767.80 | 1,578.05 | 1,725.25 | 4,684.97 | 4,812.46 | 6,676.61 |
| 2. | Expenses | | | | | | |
| | a) Cost of materials consumed | 1,804.43 | 8.98 | 1,773.79 | 2,748.67 | 2,435.22 | 5,363.34 |
| | b) Changes in inventories of finished goods, by-products and work-in-progress | (248.34) | 1,398.75 | (332.44) | 1,296.19 | 1,610.82 | 60.17 |
| | c) Employee benefits expense | 81.01 | 65.59 | 71.19 | 220.23 | 199.27 | 299.11 |
| | d) Finance costs | 66.75 | 68.50 | 76.92 | 202.69 | 234.55 | 300.75 |
| | e) Depreciation and amortisation expense | 54.31 | 54.25 | 54.27 | 162.22 | 162.25 | 215.87 |
| | f) Other expenses | 198.71 | 139.17 | 127.07 | 454.37 | 321.46 | 484.39 |
| | Total expenses | 1,956.87 | 1,735.24 | 1,770.80 | 5,084.37 | 4,963.57 | 6,723.63 |
| 3. | Profit/ (Loss) before exceptional items and tax (1-2) | (189.07) | (157.19) | (45.55) | (399.40) | (151.11) | (47.02) |
| 4. | Exceptional items (provision for diminution in the value of investment and loans & advances) | - | - | - | - | - | 60.71 |
| 5. | Profit/(Loss) before tax (3-4) | (189.07) | (157.19) | (45.55) | (399.40) | (151.11) | (107.73) |
| 6. | Tax expense | - | - | - | - | - | (2.36) |
| 7. | Net Profit / (Loss) for the period after tax (5-6) | (189.07) | (157.19) | (45.55) | (399.40) | (151.11) | (105.37) |
| 8. | Other comprehensive income (net of tax) | - | - | - | - | - | (43.83) |
| 9. | Total comprehensive income for the period comprising profit/ (loss) for the period (after tax) and other comprehensive income (after tax) (7+8) | (189.07) | (157.19) | (45.55) | (399.40) | (151.11) | (149.20) |
| 10. | Paid-up equity share capital (Face Value - Re.1/- per share) | 113.36 | 113.36 | 113.36 | 113.36 | 113.36 | 113.36 |
| 11. | Other equity | NA | NA | NA | NA | NA | 3,144.21 |
| 12. | Earnings per share (EPS) (of Re.1/- each) (not annualised) | | | | | | |
| | (a) Basic (Rs. Per share) | (1.72) | (1.43) | (0.41) | (3.63) | (1.37) | (0.96) |
| | (b) Diluted (Rs. Per share) | (1.72) | (1.43) | (0.41) | (3.63) | (1.37) | (0.96) |
| | See accompanying notes to the Financial Results | | | | | | |

Contd.2...

UNAUDITED STANDALONE SEGMENT- WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2020

₹(crore)

| Sl. No. | Particulars | Standalone | | | | | |
|---------|--|----------------|--------------|----------------|--------------|----------------|------------|
| | | 3 Months ended | Preceding 3 | Corresponding | Current 9 | Corresponding | Previous |
| | | 31.12.2020 | Months ended | 3 Months ended | Months ended | 9 Months ended | year ended |
| | | 31.12.2020 | 30.09.2020 | 31.12.2019 | 31.12.2020 | 31.12.2019 | 31.03.2020 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1. | Segment Revenue | | | | | | |
| | a. Sugar | 1,934.37 | 1,519.16 | 1,940.74 | 4,912.10 | 4,953.34 | 7,180.11 |
| | b. Distillery | 113.23 | 58.46 | 22.13 | 219.19 | 229.63 | 275.92 |
| | c. Power | 320.55 | 3.46 | 310.44 | 516.88 | 469.98 | 1,002.81 |
| | d. Others | 1.92 | 1.96 | 1.91 | 6.15 | 5.73 | 7.63 |
| | Total | 2,370.07 | 1,583.04 | 2,275.22 | 5,654.32 | 5,658.68 | 8,466.47 |
| | Less : Inter- segment revenue | 606.60 | 11.74 | 552.44 | 982.57 | 855.02 | 1,800.87 |
| | Revenue from operations | 1,763.47 | 1,571.30 | 1,722.78 | 4,671.75 | 4,803.66 | 6,665.60 |
| 2. | Segment Results (Profit/(Loss) before tax and interest) | | | | | | |
| | a. Sugar | (123.75) | (14.30) | 32.98 | (118.83) | 45.38 | 189.31 |
| | b. Distillery | (1.88) | (12.86) | (17.15) | (6.43) | 79.27 | 59.56 |
| | c. Power | 11.85 | (55.90) | 22.31 | (51.48) | (15.82) | 50.43 |
| | d. Others | (1.28) | (1.23) | (1.17) | (3.44) | (3.60) | (4.79) |
| | Total | (115.06) | (84.29) | 36.97 | (180.18) | 105.23 | 294.51 |
| | Less: (i) Finance costs | (66.75) | (68.50) | (76.92) | (202.69) | (234.55) | (300.75) |
| | (ii) Interest Income | 0.20 | 0.21 | 0.09 | 0.66 | 0.67 | 0.91 |
| | (iii) Other Un-allocable Income net off Un-allocable Expenditure | (7.46) | (4.61) | (5.69) | (17.19) | (22.46) | (102.40) |
| | Total Profit / (Loss) before Tax | (189.07) | (157.19) | (45.55) | (399.40) | (151.11) | (107.73) |
| 3. | Segment Assets | | | | | | |
| | a. Sugar | 7,307.68 | 7,007.51 | 7,017.75 | 7,307.68 | 7,017.75 | 8,569.88 |
| | b. Distillery | 989.78 | 940.82 | 870.60 | 989.78 | 870.60 | 889.27 |
| | c. Power | 1,118.07 | 1,115.94 | 1,156.27 | 1,118.07 | 1,156.27 | 1,168.43 |
| | d. Others | 201.75 | 202.21 | 205.34 | 201.75 | 205.34 | 203.98 |
| | e. Unallocated | 3,119.54 | 3,175.24 | 3,352.27 | 3,119.54 | 3,352.27 | 3,257.74 |
| | Total | 12,736.82 | 12,441.72 | 12,602.23 | 12,736.82 | 12,602.23 | 14,089.30 |
| 4. | Segment Liabilities | | | | | | |
| | a. Sugar | 3,424.15 | 2,931.48 | 2,928.79 | 3,424.15 | 2,928.79 | 4,406.66 |
| | b. Distillery | 35.88 | 33.82 | 25.68 | 35.88 | 25.68 | 29.69 |
| | c. Power | 18.19 | 12.96 | 1.53 | 18.19 | 1.53 | 5.61 |
| | d. Others | 1.14 | 0.56 | 0.89 | 1.14 | 0.89 | 0.54 |
| | e. Unallocated | 6,402.75 | 6,418.98 | 6,392.85 | 6,402.75 | 6,392.85 | 6,392.52 |
| | Total | 9,882.11 | 9,397.80 | 9,349.74 | 9,882.11 | 9,349.74 | 10,835.02 |

Contd.3...

- 1 Considering the seasonal nature of industry, the results of any quarter may not be a true and/or proportionate reflection of the annual performance of the Company.
- 2 The Optionally Convertible Debentures (OCDs) aggregating to Rs. 3483.25 Crore issued by the Company to the Joint Lender's Forum (JLF) of the Company in accordance with the Scheme for Sustainable Structuring of Stressed Assets (S4A Scheme) towards conversion of a part of the unsustainable debt, provides the holder 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 laws (including the ICDR Regulations). There is a contractual obligation related to premium payable on OCD at the time of redemption of OCD stipulates that the YTM (Yield to maturity) being the difference between weighted average interest and coupon rate payable as redemption premium at the time of redemption of OCD redeemable in 13 equal instalments commencing from the Financial Year 2024-25. The company considers such premium to be paid is contingent on the occurrence of the event of redemption of OCDs, the YTM of Rs. 1276.42 Crore from the date of allotment of OCDs till December 31, 2020 (Including Rs. 116.22 Crore and Rs. 347.40 Crore for the quarter and nine months ended on December 31, 2020 respectively) is treated as contingent liability and would be accounted for as finance cost at the time of redemption of respective OCDs. Auditors have drawn qualification for non provision of YTM premium up to 31.12.2020.
- 3 The Company has exposure aggregating to Rs. 1683.38 Crore, in its three wholly- owned subsidiaries, Rs. 770.50 Crore in other companies which are related to group and Rs. 643.91 Crore in other companies, aggregating to Rs. 3097.79 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 subsidiary and other companies 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 loans and advances given to power business subsidiary is considered good and recoverable / realisable based on the future favourable view of the government for power industries & for other subsidiary based on their future business plan, and on-going efforts towards obligation casted on the company and its promoters to recover the outstanding loans in phased manner in terms of the agreements executed to give effect to the debt restructuring scheme from time to time 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 quarter and nine months ended on December 31, 2020, of Rs 36.70 Crore and Rs 109.71 Crore respectively, on inter corporate loans, as and when it is recoverable it will be recognized in the books. Auditors have drawn emphasis of matter in their limited review report.
- 4 The Government of UP has not declared State Advisory Price (SAP) for sugarcane for the crushing season 2020-21; hence the cost of cane procurement for the sugar season 2020-21 has been recognized based on SAP as applicable for the last sugar season 2019-20
- 5 The lenders of the Company have signed Inter-Creditor Agreement (ICA) pursuant to RBI (Reserve Bank of India) circular dated June 7, 2019. The Company had an outstanding obligation payable to lenders of Rs 116.89 crore, towards installment and interest for December 2020, now only Rs 15.02 crore are outstanding obligation towards lenders as on February 9, 2021. The Company is confident of meeting of the said obligation soon. The resolution plan has been submitted to the lenders.
- 6 The Company has considered all the possible impact of COVID-19 and associated internal and external factors, known to the management, in preparation of financial results for the quarter, to assess and finalize the carrying amount of its assets and liabilities. Accordingly, as on date, no material impact is anticipated in the carrying values of the assets and their recoverability. As the situation continues to evolve, the Company will closely monitor and assess any material impact in the financial of the Company. The auditors have referred the matter in their limited review report.
- 7 For the Quarter ended 31.12.2020 and in earlier years, Company had incurred losses resulting into reduction of net worth to that extent. The losses were mainly attributable to high raw material i.e. sugarcane prices and other inputs cost, and relatively lower realisation of sugar, due to higher production; sugar prices are determined by market forces based on the demand –supply situation and other market dynamics, which are external factors. The Company has outstanding cane dues payable to cane farmers. The Company is continuously striving for improvement in the operational efficiency in other parameters. The company continue to operate at optimum levels and expects improvement in the operational efficiency in form of improvement in sugar recovery, reduction of overheads, finance and other costs, monetisation of certain non-core assets etc. The debt restructuring as per RBI's S4A Scheme has resulted into improved liquidity. The Government has taken various measures to improve the financial health of sugar industry in recent past like MIEQ, buffer stock subsidy and fixing MSP for sugar; recently the cabinet has increased the prices of ethanol for the sugar season. 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 financial results are continued to be presented on going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business. This matter has been referred by auditors in their limited review report.
- 8 The above unaudited standalone financial results for the quarter ended December 31, 2020 were reviewed by the Audit Committee and thereafter, approved by the Board of Directors and were taken on record at their respective meetings held on February 11, 2021.
- 9 Previous periods figures have been regrouped/ rearranged/ reworked/ restated wherever necessary to conform to the current period classification.

For Bajaj Hindusthan Sugar Limited

Place: Mumbai
Dated: February 11, 2021

Sd/-
D. K. Shukla
Director
DIN 00025409

bajaj SUGAR

Bajaj Hindusthan Sugar Limited

Regd. Office: Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh- 262802
Tel.:+91-5876-233754/5/7/8, 233403, Fax:+91-5876-233401, Website:www.bajajhindusthan.com

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2020

₹(crore)

| Sl. No. | Particulars | Consolidated | | | | | |
|---------|---|----------------|--------------------------|------------------------------|------------------------|------------------------------|---------------------|
| | | 3 Months ended | Preceding 3 Months ended | Corresponding 3 Months ended | Current 9 Months ended | Corresponding 9 Months ended | Previous year ended |
| | | 31.12.2020 | 30.09.2020 | 31.12.2019 | 31.12.2020 | 31.12.2019 | 31.03.2020 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1. | Income from operations | | | | | | |
| | (a) Revenue from operations | 1,762.53 | 1,569.75 | 1,723.99 | 4,667.46 | 4,806.02 | 6,669.34 |
| | (b) Other income | 4.31 | 6.77 | 2.54 | 13.30 | 9.27 | 11.98 |
| | Total Income | 1,766.84 | 1,576.52 | 1,726.53 | 4,680.76 | 4,815.29 | 6,681.32 |
| 2. | Expenses | | | | | | |
| | a) Cost of materials consumed | 1,804.42 | 8.98 | 1,773.79 | 2,748.66 | 2,435.22 | 5,363.34 |
| | b) Changes in inventories of finished goods, stock-in-trade and work-in-progress | (248.33) | 1,398.75 | (332.44) | 1,296.20 | 1,610.82 | 60.17 |
| | c) Employee benefits expense | 81.16 | 65.79 | 71.41 | 220.76 | 199.76 | 299.78 |
| | d) Finance costs | 66.95 | 68.58 | 76.96 | 203.01 | 234.63 | 300.87 |
| | e) Depreciation and amortisation expense | 54.45 | 54.38 | 54.40 | 162.63 | 162.65 | 216.41 |
| | f) Other expenses | 198.71 | 139.75 | 128.76 | 452.61 | 327.88 | 493.11 |
| | Total expenses | 1,957.36 | 1,736.23 | 1,772.88 | 5,083.87 | 4,970.96 | 6,733.68 |
| 3. | Profit/(Loss) before tax (1-2) | (190.52) | (159.71) | (46.35) | (403.11) | (155.67) | (52.36) |
| 4. | Tax expense | 0.02 | 0.17 | - | 0.19 | - | (2.36) |
| 5. | Net Profit / (Loss) for the period after tax (3-4) | (190.54) | (159.88) | (46.35) | (403.30) | (155.67) | (50.00) |
| 6. | Non controlling Interest | 0.01 | (0.01) | - | 0.01 | 0.00 | (0.01) |
| 7. | Net Profit/ (Loss) after taxes, non controlling interest and share of profit/ (loss) of associates(5-6) | (190.55) | (159.87) | (46.35) | (403.31) | (155.67) | (49.99) |
| 8. | Other comprehensive income (net of tax) | (0.06) | 0.64 | (0.21) | (0.37) | (0.62) | (43.72) |
| 9. | Total comprehensive income for the period comprising profit/ (loss) for the period (after tax) and other comprehensive income (after tax) (7+8) | (190.61) | (159.23) | (46.56) | (403.68) | (156.29) | (93.71) |
| 10. | Paid-up equity share capital (Face Value - Re.1/- per share) | 113.36 | 113.36 | 113.36 | 113.36 | 113.36 | 113.36 |
| 11. | Other equity | NA | NA | NA | NA | NA | 2,587.05 |
| 12. | Earnings per share (EPS) (of Re.1/- each) (not annualised) | | | | | | |
| | (a) Basic (Rs. Per share) | (1.73) | (1.45) | (0.42) | (3.66) | (1.41) | (0.45) |
| | (b) Diluted (Rs. Per share) | (1.73) | (1.45) | (0.42) | (3.66) | (1.41) | (0.45) |
| | See accompanying notes to the Consolidated Financial Results | | | | | | |

Contd...2

UNAUDITED CONSOLIDATED SEGMENT- WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2020

₹(crore)

| Sl. No. | Particulars | Consolidated | | | | | |
|---------|--|----------------|--------------------------|------------------------------|------------------------|------------------------------|---------------------|
| | | 3 Months ended | Preceding 3 Months ended | Corresponding 3 Months ended | Current 9 Months ended | Corresponding 9 Months ended | Previous year ended |
| | | 31.12.2020 | 30.09.2020 | 31.12.2019 | 31.12.2020 | 31.12.2019 | 31.03.2020 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1. | Segment Revenue | | | | | | |
| | a. Sugar | 1,934.37 | 1,519.16 | 1,940.74 | 4,912.10 | 4,953.34 | 7,180.11 |
| | b. Distillery | 113.23 | 58.46 | 22.13 | 219.19 | 229.63 | 275.92 |
| | c. Power | 320.55 | 3.46 | 310.44 | 516.88 | 469.98 | 1,002.81 |
| | d. Others | 0.98 | 0.41 | 3.12 | 1.86 | 8.09 | 11.37 |
| | Total | 2,369.13 | 1,581.49 | 2,276.43 | 5,650.03 | 5,661.04 | 8,470.21 |
| | Less : Inter- segment revenue | 606.60 | 11.74 | 552.44 | 982.57 | 855.02 | 1,800.87 |
| | Revenue from operations | 1,762.53 | 1,569.75 | 1,723.99 | 4,667.46 | 4,806.02 | 6,669.34 |
| 2. | Segment Results (Profit/(Loss) before tax and interest) | | | | | | |
| | a. Sugar | (123.75) | (14.30) | 32.98 | (118.83) | 45.38 | 189.31 |
| | b. Distillery | (1.88) | (12.86) | (17.15) | (6.43) | 79.27 | 59.56 |
| | c. Power | 11.85 | (55.90) | 22.31 | (51.48) | (15.82) | 50.43 |
| | d. Others | (2.53) | (3.68) | (2.00) | (6.91) | (8.17) | 49.24 |
| | Total | (116.31) | (86.74) | 36.14 | (183.65) | 100.66 | 348.54 |
| | Less: (i) Finance costs | (66.95) | (68.58) | (76.96) | (203.01) | (234.63) | (300.87) |
| | (ii) Interest Income | 0.20 | 0.22 | 0.16 | 0.74 | 0.76 | 2.37 |
| | (iii) Other Un-allocable Income net off Un-allocable Expenditure | (7.46) | (4.61) | (5.69) | (17.19) | (22.46) | (102.40) |
| | Total Profit / (Loss) before Tax | (190.52) | (159.71) | (46.35) | (403.11) | (155.67) | (52.36) |
| 3. | Segment Assets * | | | | | | |
| | a. Sugar | 7,307.68 | 7,007.51 | 7,017.75 | 7,307.68 | 7,017.75 | 8,569.88 |
| | b. Distillery | 989.78 | 940.82 | 870.60 | 989.78 | 870.60 | 889.27 |
| | c. Power | 1,654.43 | 1,652.31 | 1,691.98 | 1,654.43 | 1,691.98 | 1,704.81 |
| | d. Others | 233.43 | 225.97 | 242.62 | 233.43 | 242.62 | 226.49 |
| | e. Unallocated | 2,016.32 | 2,072.03 | 2,172.91 | 2,016.32 | 2,172.91 | 2,157.91 |
| | Total | 12,201.64 | 11,898.64 | 11,995.86 | 12,201.64 | 11,995.86 | 13,548.36 |
| 4. | Segment Liabilities | | | | | | |
| | a. Sugar | 3,424.15 | 2,931.48 | 2,928.79 | 3,424.15 | 2,928.79 | 4,406.66 |
| | b. Distillery | 35.88 | 33.82 | 25.68 | 35.88 | 25.68 | 29.69 |
| | c. Power | 18.19 | 12.96 | 1.53 | 18.19 | 1.53 | 5.61 |
| | d. Others | 189.10 | 176.79 | 166.89 | 189.10 | 166.89 | 173.29 |
| | e. Unallocated | 6,241.07 | 6,259.60 | 6,238.32 | 6,241.07 | 6,238.32 | 6,236.01 |
| | Total | 9,908.39 | 9,414.65 | 9,361.21 | 9,908.39 | 9,361.21 | 10,851.26 |

* Refer note 8.

The consolidated financial results include results of the following companies:

Name of the subsidiary companies

Holding as on
December 31, 2020

Holding as on
March 31, 2020

| | | |
|---|---------|---------|
| Bajaj Aviation Private Ltd. # | 100.00% | 100.00% |
| Bajaj Power Generation Private Ltd. # | 100.00% | 100.00% |
| Bajaj Hindusthan (Singapore) Pte. Ltd., Singapore # | 100.00% | 100.00% |
| PT.Batu Bumi Persada, Indonesia # | 99.00% | 99.00% |
| PT.Jangkar Prima, Indonesia # | 99.88% | 99.88% |

Management has compiled the accounts as at December 31, 2020 in order to consolidate the accounts with that of the Holding Company.

Contd....3

- 1 Considering the seasonal nature of industry, the results of any quarter may not be a true and/or proportionate reflection of the annual performance of the Group.
- 2 The Optionally Convertible Debentures (OCDs) aggregating to Rs. 3483.25 Crore issued by Parent Company to the Joint Lender's Forum (JLF) of the Parent Company in accordance with the Scheme for Sustainable Structuring of Stressed Assets (S4A Scheme) towards conversion of a part of the unsustainable debt, provides the holder an option to exercise the right to convert the outstanding OCDs into the equity shares of the Parent Company at a price in accordance with applicable laws (including the ICDR Regulations). There is a contractual obligation related to premium payable on OCD at the time of redemption of OCD stipulates that the YTM (Yield to maturity) being the difference between weighted average interest and coupon rate payable as redemption premium at the time of redemption of OCD redeemable in 13 equal instalments commencing from the Financial Year 2024-25. The parent company considers such premium to be paid is contingent on the occurrence of the event of redemption of OCDs, the YTM of Rs. 1276.42 Crore from the date of allotment of OCDs till December 31, 2020 (Including Rs. 116.22 Crore and Rs. 347.40 Crore for the quarter and nine months ended December 31, 2020 respectively) is treated as contingent liability and would be accounted for as finance cost at the time of redemption of respective OCDs. Auditors have drawn qualification for non-provision of YTM premium up to 31.12.2020.
- 3 The Parent Company has exposure Rs. 770.50 Crore in other companies which are related to group and Rs. 643.91 Crore in other companies, aggregating to Rs. 1414.41 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 other companies in the foreseeable future so as to recover carrying value of the investment, loans, receivables and the diminution/provision, if any exists, is only of temporary nature. Further management believe that the investment in power business are considered good and recoverable based on the future favourable view of the government for power industries & their future business plan, and on-going efforts towards obligation casted on the company and its promoters to recover the outstanding loans in phased manner in terms of the agreements executed to give effect to the debt restructuring scheme from time to time and accordingly no provision other than those already accounted for, has been considered necessary. Further on the Basis of principle of conservatism and prudence, group has not recognised interest income on inter corporate debts for the quarter and nine months ended on December 31, 2020 of Rs. 19.76 Crore and Rs 59.07 Crore respectively, as and when it is recoverable it will be recognised in the books. Auditors have drawn emphasis of matter in their limited review report.
- 4 The Government of UP has not declared State Advisory Price (SAP) for sugarcane for the crushing season 2020-21; hence the cost of cane procurement of the Parent Company for the sugar season 2020-21 has been recognized based on SAP as applicable for the last sugar season 2019-20
- 5 The lenders of the Parent Company have signed Inter-Creditor Agreement (ICA) pursuant to RBI (Reserve Bank of India) circular dated June 7, 2019. The Parent Company had an outstanding obligation payable to lenders of Rs 116.89 crore, towards installment and interest for December 2020, now only Rs 15.02 crore are outstanding obligation towards lenders as on February 9, 2021. The Parent Company is confident of meeting of the said obligation soon. The resolution plan has been submitted to the lenders.
- 6 The Group has considered all the possible impact of COVID-19 and associated internal and external factors, known to the management, in preparation of consolidated financial results for the quarter, to assess and finalize the carrying amount of its assets and liabilities. Accordingly, as on date, no material impact is anticipated in the carrying values of the assets and their recoverability. As the situation continues to evolve, the Group will closely monitor and assess any material impact in the financial of the Group. The auditors have referred the matter in their limited review report.
- 7 For the Quarter ended 31.12.2020 and in earlier years, the group had incurred losses resulting into reduction of net worth to that extent. The losses were mainly attributable to high raw material i.e. sugarcane prices and other inputs cost, and relatively lower realisation of sugar, due to higher production; sugar prices are determined by market forces based on the demand –supply situation and other market dynamics, which are external factors. The Group has outstanding cane dues payable to cane farmers. The Group is continuously striving for improvement in the operational efficiency in other parameters. The Group continue to operate at optimum levels and expects improvement in the operational efficiency in form of improvement in sugar recovery, reduction of overheads, finance and other costs, monetisation of certain non-core assets etc. The debt restructuring as per RBI's S4A Scheme has resulted into improved liquidity. The Government has taken various measures to improve the financial health of sugar industry in recent past like MIEQ, buffer stock subsidy and fixing MSP for sugar; recently the cabinet has increased the prices of ethanol for the sugar season. All these measures are expected to turnaround the operations of sugar industry on sustainable basis. The Group 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 results are continued to be presented on going concern basis, which contemplates realisation of assets and settlement of liabilities in the normal course of business. This matter has been referred by auditors in their limited review report.

Contd....4

- 8 Trade receivable and Other equity opening balance as on April 01, 2018 restated by Rs. 15.29 crore as expected credit loss as per Ind AS 109 related to one subsidiary company was not knocked off in consolidated accounts for financial year 2017-2018. Accordingly segment assets have been restated as at December 31, 2019 by Rs. 15.29 crore.
- 9 The figures for the quarter and nine months ended December 31, 2020 included in the statement of consolidated financial results have been approved by the Holding Company's Board of Directors, pursuant to Regulation 33(8) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 as amended. The figures of the Indian subsidiaries and foreign subsidiaries for the quarter ended December 31, 2020 are management certified figures.
- 10 The above unaudited consolidated financial results for the quarter ended December 31, 2020 were reviewed by the Audit Committee and thereafter, approved by the Board of Directors and were taken on record at their respective meetings held on February 11, 2021.
- 11 Previous periods figures have been regrouped/rearranged/reworked/restated wherever necessary to conform to the current period classification.

For Bajaj Hindusthan Sugar Limited

Sd/-

D. K. Shukla

Director

DIN 00025409

Place: Mumbai

Dated: February 11, 2021