



Bajaj Hindusthan Sugar Ltd.

CIN: L15420UP1931PLC065243

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

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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022

₹(crore)

Sl. No.	Particulars	Standalone			
		3 Months ended	Preceding	Corresponding	Previous
		30.06.2022	3 Months ended	3 Months ended	year ended
		31.03.2022	30.06.2021	31.03.2022	
		Unaudited	Audited	Unaudited	Audited
1.	Income				
	(a) Revenue from operations	1,523.78	1,615.92	1,354.41	5,569.09
	(b) Other income	3.96	9.76	4.89	21.13
	Total Income	1,527.74	1,625.68	1,359.30	5,590.22
2.	Expenses				
	a) Cost of materials consumed	441.82	2,676.29	369.76	4,609.93
	b) Changes in inventories of finished goods, by-products and work-in-progress	862.88	(1,548.68)	696.62	(209.67)
	c) Employee benefits expense	78.54	109.34	73.93	342.31
	d) Finance costs	32.65	58.94	70.26	253.55
	e) Depreciation and amortisation expense	53.16	52.88	53.47	214.63
	f) Other expenses	107.82	181.76	135.81	601.83
	Total expenses	1,576.87	1,530.53	1,399.85	5,812.58
3.	Profit/(Loss) before tax (1-2)	(49.13)	95.15	(40.55)	(222.36)
4.	Tax expense	-	(4.11)	-	(4.11)
5.	Net Profit / (Loss) for the period after tax (3-4)	(49.13)	99.26	(40.55)	(218.25)
6.	Other comprehensive income				
	Items that will not be reclassified to profit or loss	-	(5.05)	-	(5.05)
	Items that will be reclassified to profit or loss	-	(47.90)	-	(47.90)
	Income tax on above	-	81.20	-	81.20
	Total other comprehensive income	-	28.25	-	28.25
7.	Total comprehensive income (5+6)	(49.13)	127.51	(40.55)	(190.00)
8.	Paid-up equity share capital (Face Value - Re.1/- per share)	127.74	127.74	113.36	127.74
9.	Other equity	NA	NA	NA	2,752.94
10.	Earnings per share (EPS) (of Re.1/- each) (not annualised)				
	(a) Basic (Rs. Per share)	(0.39)	0.80	(0.37)	(1.82)
	(b) Diluted (Rs. Per share)	(0.39)	0.80	(0.37)	(1.82)
	See accompanying notes to the Standalone Financial Results				

Contd.2...

UNAUDITED STANDALONE SEGMENT- WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER ENDED JUNE 30, 2022
₹(crore)

Sl. No.	Particulars	Standalone			
		3 Months ended	Preceding	Corresponding	Previous
		30.06.2022	3 Months ended	3 Months ended	year ended
		31.03.2022	30.06.2021	31.03.2022	
		Unaudited	Audited	Unaudited	Audited
1.	Segment Revenue				
	a. Sugar	1,512.78	1,814.67	1,322.78	5,722.05
	b. Distillery	363.67	337.87	247.18	980.10
	c. Power	114.35	444.56	97.66	810.14
	d. Others	1.92	2.20	1.97	8.02
	Total	1,992.72	2,599.30	1,669.59	7,520.31
	Less : Inter- segment revenue	468.94	983.38	315.18	1,951.22
	Revenue from operations	1,523.78	1,615.92	1,354.41	5,569.09
2.	Segment Results (Profit/(Loss) before tax and interest)				
	a. Sugar	(25.38)	52.54	15.76	(31.55)
	b. Distillery	29.10	55.66	47.82	98.30
	c. Power	(14.20)	49.12	(26.65)	(3.73)
	d. Others	(1.19)	(1.00)	(1.20)	(4.61)
	Total	(11.67)	156.32	35.73	58.41
	Less: (i) Finance costs	(32.65)	(58.94)	(70.26)	(253.55)
	(ii) Interest Income	0.20	0.20	0.20	0.74
	(iii) Other Un-allocable Income net off Un-allocable Expenditure	(5.01)	(2.43)	(6.22)	(27.96)
	Total Profit / (Loss) before Tax	(49.13)	95.15	(40.55)	(222.36)
3.	Segment Assets				
	a. Sugar	7,328.64	8,164.72	7,346.94	8,164.72
	b. Distillery	955.55	964.15	1,030.03	964.15
	c. Power	925.77	954.28	1,049.84	954.28
	d. Others	195.43	196.51	198.80	196.51
	e. Unallocated	3,323.44	3,330.59	3,356.88	3,330.59
	Total	12,728.83	13,610.25	12,982.49	13,610.25
4.	Segment Liabilities				
	a. Sugar	3,394.85	4,100.21	3,818.40	4,100.21
	b. Distillery	82.45	89.29	47.88	89.29
	c. Power	21.14	17.24	18.17	17.24
	d. Others	0.44	0.43	0.59	0.43
	e. Unallocated	6,401.69	6,525.69	6,197.09	6,525.69
	Total	9,900.57	10,732.86	10,082.13	10,732.86

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Notes:

- 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 Lenders' Forum (JLF) of the Company in accordance with the Scheme for Sustainable Structuring of Stressed Assets (S4A Scheme) towards the 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 the 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 interest is payable as redemption premium at the time of redemption of OCD which are 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. 1.784.12 Crore from the date of allotment of OCDs till March 31, 2022 is treated as a contingent liability and would be accounted for as finance cost at the time of redemption of respective OCDs. The Company has also not taken provision towards coupon rate interest on such OCD and not consider YTM after 31.03.2022. In the opinion of the management, said coupon rate interest and YTM will be treated as per financial restructuring plan submitted by the Company to the lenders. Auditors have drawn qualification for non-provision of YTM premium up to June 30, 2022 as well as coupon interest on OCD for the quarter ended on June 30, 2022.
- 3 The Company has exposure aggregating to Rs. 1740.98 Crore, in its three wholly-owned subsidiaries and Rs. 511.29 Crore in other company, aggregating to Rs. 2252.27 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 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. Auditors have drawn emphasis of matter in their limited review report. Further on the basis of principle of conservatism and prudence, the Company has not recognised interest income for the quarter ended on June 30, 2022, of Rs 36.30 Crore, on inter corporate loans, as and when it is recoverable it will be recognized in the books.
- 4 During the June '22 quarter, due to delayed payment of loan instalment and coupon rate interest on optionally convertible debentures the lenders have classified the Company's account as Non-Performing Assets (NPA) as per the RBI regulations on loan classification. The lenders of the Company have signed an ICA (Inter Creditors Agreement) on January 28, 2022 for resolution of the Company's accounts. As on June 30, 2022, the overdue amount out of the principal instalment of Rs 108.60 Cr due on March 31, 2022 was Rs 8.96 Cr (which was subsequently paid by July 6, 2022). Coupon interest on OCD for FY22 amounting to Rs. 78.37 Crore (Net of TDS) due on 31.03.2022 has not been paid and will be treated as per financial restructuring plan submitted by the company. Also, out of the principal instalment of Rs. 108.60 Cr due on 30.06.2022, the amount paid till Aug 05, 2022 is Rs. 40.50 Cr.
- 5 For the quarter ended June 30, 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 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.

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.

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 realization of assets and settlement of liabilities in the ordinary course of business. This matter has been referred by auditors in their limited review report.
- 6 Previous periods figures have been regrouped/ rearranged/ reworked/ restated wherever necessary to conform to the current period classification.
- 7 The figures for the quarter ended March 31, 2022, are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the financial year 2021-22, which were only limited reviewed by the auditors.
- 8 The above unaudited standalone financial results for the quarter ended June 30, 2022 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 August 12, 2022.

For Bajaj Hindusthan Sugar Limited

Sd/-
D.K. Shukla
Director
DIN 00025409

Place: Lucknow
Dated: August 12, 2022



Bajaj Hindusthan Sugar Limited

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022

₹(crore)

Sl. No.	Particulars	Consolidated			
		3 Months ended 30.06.2022	Preceding 3 Months ended 31.03.2022	Corresponding 3 Months ended 30.06.2021	Previous year ended 31.03.2022
		Unaudited	Audited	Unaudited	Audited
1.	Income from operations				
	(a) Revenue from operations	1,529.92	1,621.67	1,352.61	5,575.65
	(b) Other income	7.79	19.67	4.93	31.91
	Total Income	1,537.71	1,641.34	1,357.54	5,607.56
2.	Expenses				
	a) Cost of materials consumed	441.82	2,676.29	369.76	4,609.93
	b) Changes in inventories of finished goods, stock-in-trade and work-in-progress	862.88	(1,548.68)	696.62	(209.67)
	c) Employee benefits expense	78.71	109.54	74.08	342.93
	d) Finance costs	32.66	59.03	70.35	253.99
	e) Depreciation and amortisation expense	53.17	52.89	53.48	214.66
	f) Other expenses	113.38	230.34	142.97	661.05
	Total expenses	1,582.62	1,579.41	1,407.26	5,872.89
3.	Profit/ (Loss) before exceptional items and tax (1-2)	(44.91)	61.93	(49.72)	(265.33)
4.	Exceptional items	-	6.19	-	6.19
5.	Profit/(Loss) before tax (3-4)	(44.91)	55.74	(49.72)	(271.52)
6.	Tax expense	-	(3.98)	-	(3.98)
7.	Net Profit / (Loss) for the period after tax (5-6)	(44.91)	59.72	(49.72)	(267.54)
8.	Non controlling Interest	0.00	0.00	0.00	(0.00)
9.	Net Profit/ (Loss) after taxes, non controlling interest (7-8)	(44.91)	59.72	(49.72)	(267.54)
10.	Other comprehensive income				
	Items that will not be reclassified to profit or loss	-	(5.05)	-	(5.05)
	Items that will be reclassified to profit or loss	(0.05)	(47.95)	(0.07)	(48.22)
	Income tax on above	-	81.20	-	81.20
	Total other comprehensive income	(0.05)	28.20	(0.07)	27.93
11.	Total comprehensive income (9+10)	(44.96)	87.92	(49.79)	(239.61)
12.	Paid-up equity share capital (Face Value - Re.1/- per share)	127.74	127.74	113.36	127.74
13.	Other equity	NA	NA	NA	2,134.66
14.	Earnings per share (EPS) (of Re.1/- each) (not annualised)				
	(a) Basic (Rs. Per share)	(0.36)	0.48	(0.45)	(2.23)
	(b) Diluted (Rs. Per share)	(0.36)	0.48	(0.45)	(2.23)
	See accompanying notes to the Consolidated Financial Results				

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UNAUDITED CONSOLIDATED SEGMENT- WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER ENDED JUNE 30, 2022
₹(crore)

Sl. No.	Particulars	Consolidated			
		3 Months ended 30.06.2022	Preceding 3 Months ended 31.03.2022	Corresponding 3 Months ended 30.06.2021	Previous year ended 31.03.2022
		Unaudited	Audited	Unaudited	Audited
1.	Segment Revenue				
	a. Sugar	1,512.78	1,814.67	1,322.78	5,722.05
	b. Distillery	363.67	337.87	247.18	980.10
	c. Power	114.35	444.56	97.66	810.14
	d. Others	8.06	7.95	0.17	14.58
	Total	1,998.86	2,605.05	1,667.79	7,526.87
	Less : Inter- segment revenue	468.94	983.38	315.18	1,951.22
	Revenue from operations	1,529.92	1,621.67	1,352.61	5,575.65
2.	Segment Results (Profit/(Loss) before tax and interest)				
	a. Sugar	(25.38)	52.54	15.76	(31.55)
	b. Distillery	29.10	55.66	47.82	98.30
	c. Power	(14.20)	49.12	(26.65)	(3.73)
	d. Others	2.32	(40.32)	(10.28)	(53.89)
	Total	(8.16)	117.00	26.65	9.13
	Less: (i) Finance costs	(32.66)	(59.03)	(70.35)	(253.99)
	(ii) Interest Income	0.92	0.20	0.20	1.30
	(iii) Other Un-allocable Income net off Un-allocable Expenditure	(5.01)	(2.43)	(6.22)	(27.96)
	Total Profit / (Loss) before Tax	(44.91)	55.74	(49.72)	(271.52)
3.	Segment Assets				
	a. Sugar	7,328.64	8,164.72	7,346.94	8,164.72
	b. Distillery	955.55	964.15	1,030.03	964.15
	c. Power	2,083.26	2,111.06	1,586.02	2,111.06
	d. Others	212.28	212.99	213.43	212.99
	e. Unallocated	1,582.50	1,596.82	2,253.66	1,596.82
	Total	12,162.23	13,049.74	12,430.08	13,049.74
4.	Segment Liabilities				
	a. Sugar	3,394.85	4,100.21	3,818.40	4,100.21
	b. Distillery	82.45	89.29	47.88	89.29
	c. Power	21.14	17.24	18.17	17.24
	d. Others	47.97	58.21	191.04	58.21
	e. Unallocated	6,401.69	6,525.70	6,032.16	6,525.70
	Total	9,948.10	10,790.65	10,107.65	10,790.65

The consolidated financial results include results of the following companies:

Name of the subsidiary companies

Holding as on
June 30, 2022

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

Management has compiled the accounts as at June 30, 2022 in order to consolidate the accounts with that of the Holding Company.

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Notes:

- 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. 1.784.12 Crore from the date of allotment of OCDs till March 31, 2022 is treated as a contingent liability and would be accounted for as finance cost at the time of redemption of respective OCDs. The Parent Company has also not taken provision towards coupon rate interest on such OCD and not consider YTM after 31.03.2022. In the opinion of the management, said coupon rate interest and YTM will be treated as per the financial restructuring plan submitted by the Parent Company to the lenders. Auditors have drawn qualification for non-provision of YTM premium up to June 30, 2022 as well as coupon interest on OCD for the quarter ended on June 30, 2022.
- 3 The Parent Company has exposure aggregating to Rs. 511.29 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 limited review 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 ended on June 30, 2022 of Rs. 7.54 Crore, as and when it is recoverable it will be recognised in the books.
- 4 During the June '22 quarter, due to delayed payment of loan instalment and coupon rate interest on optionally convertible debentures the lenders have classified the Parent Company's account as Non-Performing Assets (NPA) as per the RBI regulations on loan classification. The lenders of the Parent Company have signed an ICA (Inter Creditors Agreement) on January 28, 2022 for resolution of the Parent Company's accounts. As on June 30, 2022, the overdue amount out of the principal instalment of Rs 108.60 Cr due on March 31, 2022 was Rs 8.96 Cr (which was subsequently paid by July 6, 2022). Coupon interest on OCD for FY22 amounting to Rs. 78.37 Crore (Net of TDS) due on 31.03.2022 has not been paid and will be treated as per financial restructuring plan submitted by the Parent Company. Also, out of the principal instalment of Rs. 108.60 Cr due on 30.06.2022, the amount paid till Aug 05, 2022 is Rs. 40.50 Cr.
- 5 For the quarter ended June 30, 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 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.

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 monetization 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 financial results are presented on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the ordinary course of business. This matter has been referred by auditors in their limited review report.
- 6 The figures for the quarter ended June 30, 2022 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 June 30, 2022 are management certified.
- 7 Previous periods figures have been regrouped/ rearranged/ reworked/ restated wherever necessary to conform to the current period classification.
- 8 The figures for the quarter ended March 31, 2022, are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the financial year 2021-22, which were only limited reviewed by the auditors.
- 9 The above unaudited consolidated financial results for the quarter ended June 30, 2022 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 August 12, 2022.

For Bajaj Hindusthan Sugar Limited

Sd/-

D.K. Shukla
Director

DIN 00025409

Place: Lucknow
Dated: August 12, 2022