



Bajaj Hindusthan Sugar Ltd.

CIN: L15420UP1931PLC065243

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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2022

₹(crore)

Sl. No.	Particulars	Standalone					
		3 Months ended 30.09.2022 Unaudited	Preceding 3 Months ended 30.06.2022 Unaudited	Corresponding 3 Months ended 30.09.2021 Unaudited	Current 6 Months ended 30.09.2022 Unaudited	Corresponding 6 Months ended 30.09.2021 Unaudited	Previous year ended 31.03.2022 Audited
1.	Income						
	(a) Revenue from operations	1,320.17	1,523.78	1,345.94	2,843.95	2,700.35	5,569.09
	(b) Other income	5.41	3.96	2.92	9.37	7.81	21.13
	Total Income	1,325.58	1,527.74	1,348.86	2,853.32	2,708.16	5,590.22
2.	Expenses						
	a) Cost of materials consumed	13.44	441.82	15.92	455.26	385.68	4,609.93
	b) Changes in inventories of finished goods, by-products and work-in-progress	1,207.29	862.88	1,138.14	2,070.17	1,834.76	(209.67)
	c) Employee benefits expense	85.21	78.54	73.22	163.75	147.15	342.31
	d) Finance costs	32.14	32.65	62.80	64.79	133.06	253.55
	e) Depreciation and amortisation expense	53.74	53.16	54.04	106.90	107.51	214.63
	f) Other expenses	93.82	107.82	116.62	201.64	252.43	601.83
	Total expenses	1,485.64	1,576.87	1,460.74	3,062.51	2,860.59	5,812.58
3.	Profit/(Loss) before tax (1-2)	(160.06)	(49.13)	(111.88)	(209.19)	(152.43)	(222.36)
4.	Tax expense	-	-	-	-	-	(4.11)
5.	Net Profit / (Loss) for the period after tax (3-4)	(160.06)	(49.13)	(111.88)	(209.19)	(152.43)	(218.25)
6.	Other comprehensive income						
	Items that will not be reclassified to profit or loss	-	-	-	-	-	(5.05)
	Items that will be reclassified to profit or loss	-	-	-	-	-	(47.90)
	Income tax on above	-	-	-	-	-	81.20
	Total other comprehensive income	-	-	-	-	-	28.25
7.	Total comprehensive income for the period (5+6)	(160.06)	(49.13)	(111.88)	(209.19)	(152.43)	(190.00)
8.	Paid-up equity share capital (Face Value - Re.1/- per share)	127.74	127.74	127.74	127.74	127.74	127.74
9.	Other equity	NA	NA	NA	NA	NA	2,752.94
10.	Earnings per share (EPS) (of Re.1/- each) (not annualised)						
	(a) Basic (Rs. Per share)	(1.29)	(0.39)	(0.92)	(1.68)	(1.32)	(1.82)
	(b) Diluted (Rs. Per share)	(1.29)	(0.39)	(0.92)	(1.68)	(1.32)	(1.82)
	See accompanying notes to the Standalone Financial Results						

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UNAUDITED STANDALONE SEGMENT- WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2022

₹(crore)

Sl. No.	Particulars	Standalone					
		3 Months ended	Preceding	Corresponding	Current 6	Corresponding	Previous
		30.09.2022	3 Months ended	3 Months ended	Months ended	6 Months ended	year ended
		30.06.2022	30.09.2021	30.09.2022	30.09.2021	31.03.2022	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1.	Segment Revenue						
	a. Sugar	1,228.34	1,512.78	1,213.72	2,741.12	2,536.50	5,722.05
	b. Distillery	253.79	363.67	197.84	617.46	445.02	980.10
	c. Power	15.15	114.35	18.97	129.50	116.63	810.14
	d. Others	1.92	1.92	1.93	3.84	3.90	8.02
	Total	1,499.20	1,992.72	1,432.46	3,491.92	3,102.05	7,520.31
	Less : Inter- segment revenue	179.03	468.94	86.52	647.97	401.70	1,951.22
	Revenue from operations	1,320.17	1,523.78	1,345.94	2,843.95	2,700.35	5,569.09
2.	Segment Results (Profit/(Loss) before tax and interest)						
	a. Sugar	(90.03)	(25.38)	(2.26)	(115.41)	13.50	(31.55)
	b. Distillery	6.21	29.10	(2.50)	35.31	45.32	98.30
	c. Power	(38.09)	(14.20)	(32.92)	(52.29)	(59.57)	(3.73)
	d. Others	(1.28)	(1.19)	(1.24)	(2.47)	(2.44)	(4.61)
	Total	(123.19)	(11.67)	(38.92)	(134.86)	(3.19)	58.41
	Less: (i) Finance costs	(32.14)	(32.65)	(62.80)	(64.79)	(133.06)	(253.55)
	(ii) Interest Income	0.18	0.20	0.18	0.38	0.38	0.74
	(iii) Other Un-allocable Income net off Un-allocable Expenditure	(4.91)	(5.01)	(10.34)	(9.92)	(16.56)	(27.96)
	Total Profit / (Loss) before Tax	(160.06)	(49.13)	(111.88)	(209.19)	(152.43)	(222.36)
3.	Segment Assets						
	a. Sugar	6,135.40	7,328.64	6,273.13	6,135.40	6,273.13	8,164.72
	b. Distillery	881.44	955.55	925.30	881.44	925.30	964.15
	c. Power	899.27	925.77	990.12	899.27	990.12	954.28
	d. Others	194.41	195.43	198.66	194.41	198.66	196.51
	e. Unallocated	3,307.11	3,323.44	3,309.37	3,307.11	3,309.37	3,330.59
	Total	11,417.63	12,728.83	11,696.58	11,417.63	11,696.58	13,610.25
4.	Segment Liabilities						
	a. Sugar	2,385.33	3,394.85	2,817.70	2,385.33	2,817.70	4,100.21
	b. Distillery	84.25	82.45	55.25	84.25	55.25	89.29
	c. Power	17.90	21.14	11.99	17.90	11.99	17.24
	d. Others	0.45	0.44	0.60	0.45	0.60	0.43
	e. Unallocated	6,261.70	6,401.69	5,894.89	6,261.70	5,894.89	6,525.69
	Total	8,749.63	9,900.57	8,780.43	8,749.63	8,780.43	10,732.86

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Notes:

1 Statement of standalone assets and liabilities as at Sept. 30, 2022 is provided below:-

₹(crore)

Particulars	Standalone	
	As at 30.09.2022	As at 31.03.2022
	Unaudited	Audited
ASSETS		
Non-current assets		
Property, plant and equipment	6,694.38	6,799.28
Right of use assets	3.11	4.21
Capital work in progress	7.07	4.29
Financial assets :		
Investments	92.34	92.34
Other financial assets	12.68	13.39
Other non-current assets	145.68	137.98
Sub-total- Non-current assets	6,955.26	7,051.49
Current assets		
Inventories	646.09	2,745.56
Financial assets :		
Current investments	770.13	770.13
Trade receivables	172.02	213.87
Cash and cash equivalents	20.41	47.33
Other bank balances	0.00	0.00
Loans	2,088.79	2,088.79
Current tax assets (Net)	8.93	7.92
Other current assets	755.99	685.16
Sub-total- Current assets	4,462.36	6,558.76
TOTAL- ASSETS	11,417.62	13,610.25
EQUITY AND LIABILITIES		
Equity		
Equity share capital	124.45	124.45
Other equity	2,543.55	2,752.94
Sub-total- Equity	2,668.00	2,877.39
Non-current liabilities		
Financial liabilities :		
Borrowings	4,025.71	4,243.82
Lease liabilities	1.16	2.46
Provisions	92.75	89.50
Deferred tax liabilities	505.63	505.63
Other non current liabilities	20.66	22.00
Sub-total- Non-current liabilities	4,645.91	4,863.41
Current liabilities		
Financial liabilities :		
Borrowing	543.01	543.01
Lease liabilities	2.52	2.38
Trade payables		
total outstanding dues of micro and small enterprises	0.32	0.28
total outstanding dues of other than micro and small enterprises	2,320.71	4,091.97
Other financial liabilities	82.10	79.29
Other current liabilities	1,134.27	1,131.74
Provisions	20.78	20.78
Sub-total- Current liabilities	4,103.71	5,869.45
TOTAL- EQUITY AND LIABILITIES	11,417.62	13,610.25

Contd.4...

2 Standalone Cash Flow Statement is provided below:-

		₹(crore)	
Particulars	Standalone		
	Current 6 Months ended 30.09.2022	Corresponding 6 Months ended 30.09.2021	
	Unaudited	Unaudited	
A. Cash flow from operating activities:			
Net profit/ (loss) before tax	(209.19)	(152.43)	
Adjustment for:			
Depreciation and amortisation	106.90	107.51	
Reversal of reserve for molasses storage tank-for repair work	(0.20)	(0.74)	
Provision for doubtful Debts/ Bad Debts Written off	1.05	2.36	
Provision for doubtful advances	-	(0.22)	
Provision for expenses written back	(0.27)	-	
Rental Income	(5.61)	(5.52)	
Loss/ (surplus) on sale of property, plant and equipment (net)	(0.15)	0.03	
Finance costs	64.79	133.06	
Interest income	(0.38)	(0.38)	
	166.13	236.10	
Operating profit/ (loss) before working capital changes	(43.06)	83.67	
Adjustment for:			
Trade and other receivables	(36.77)	4.97	
Inventories	2,099.47	1,860.27	
Trade and other payables	(1,766.51)	(1,509.46)	
Cash generated from operations	253.13	439.45	
Direct taxes	(1.01)	(0.31)	
Net cash from/ (used in) operating activities	252.12	439.14	
B. Cash flow from investing activities:			
Purchase of property, plant and equipment	(3.72)	(3.42)	
Sale of property, plant and equipment	0.19	2.21	
Rental Income	5.61	5.52	
Interest received	0.12	0.14	
Net cash from/ (used in) investing activities	2.20	4.45	
C. Cash flow from financing activities:			
Repayment of long term borrowings	(218.59)	(362.28)	
Proceeds from short term borrowings (net of repayments)	(0.00)	-	
Interest paid	(61.24)	(89.06)	
Payment of lease liability	(1.41)	(1.59)	
Net cash from/ (used in) financing activities	(281.24)	(452.93)	
Net increase/(decrease) in cash and cash equivalents	(26.92)	(9.34)	
Cash and cash equivalents (opening balance)	47.33	63.00	
Cash and cash equivalents (closing balance)	20.41	53.66	

- a) The above cash flow statement has been prepared under the "Indirect Method" as per Indian Accounting Standard (Ind AS) 7.
- b) Figures in brackets indicate cash outflow and without brackets indicate cash inflow.

Contd.5...

Notes:

- 3 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.
- 4 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.1784.12 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 Sept 30, 2022 as well as coupon interest on OCD for the quarter and six month ended on Sept 30, 2022.
- 5 The Company has exposure aggregating to Rs.1742.67 Crore, in its three wholly-owned subsidiaries and Rs.525.80 Crore in other company, aggregating to Rs.2268.47 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 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 and Six Month ended on Sept 30, 2022, of Rs.35.24 Crore and Rs.71.54 Crore respectively, on inter corporate loans, as and when it is recoverable it will be recognized in the books.
- 6 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. As on Sept 30, 2022, the amount of the principal instalment of Rs.108.60 Cr due out of this Rs.77.68 Crore was paid up to the date. 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. The Company is actively in discussion with State Bank of India (SBI) and other lenders for implementation of the Resolution plan submitted by the Company. As a process the Stressed Assets Resolution Group (SARG) of SBI has initiated Corporate Insolvency Resolution Process (CIRP) of the Company before the Hon'ble National Company Law Tribunal (NCLT) which was also disclosed to the stock exchanges. The Company is actively pursuing the matter with SBI & other lenders and is confident to resolve the matter soon.
- 7 For the quarter and six Month ended Sept 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. Also, the Company continues to classify bank borrowings into non-current and current as per last approved repayment plan. This matter has been referred by auditors in their limited review report.

- 8 Previous periods figures have been regrouped/ rearranged/ reworked/ restated wherever necessary to conform to the current period classification.
- 9 The above unaudited standalone financial results for the quarter and six month ended Sept 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 November 11, 2022.

For Bajaj Hindusthan Sugar Limited

Sd/-

D.K. Shukla

Director

DIN 00025409

Place: Lucknow

Dated: November 11, 2022



Bajaj Hindusthan Sugar Limited

Regd. Office: Golagokarannath, Lakhimpur-Kheri, District Kheri, Uttar Pradesh- 262802
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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2022

₹(crore)

Sl. No.	Particulars	Consolidated					
		3 Months ended 30.09.2022	Preceding 3 Months ended 30.06.2022	Corresponding 3 Months ended 30.09.2021	Current 6 Months ended 30.09.2022	Corresponding 6 Months ended 30.09.2021	Previous year ended 31.03.2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1.	Income from operations						
	(a) Revenue from operations	1,323.40	1,529.92	1,344.14	2,853.32	2,696.75	5,575.65
	(b) Other income	6.59	7.79	3.21	14.38	8.14	31.91
	Total Income	1,329.99	1,537.71	1,347.35	2,867.70	2,704.89	5,607.56
2.	Expenses						
	a) Cost of materials consumed	13.44	441.82	15.92	455.26	385.68	4,609.93
	b) Changes in inventories of finished goods, stock-in-trade and work-in-progress	1,207.29	862.88	1,138.14	2,070.17	1,834.76	(209.67)
	c) Employee benefits expense	85.41	78.71	73.35	164.12	147.43	342.93
	d) Finance costs	32.14	32.66	62.90	64.80	133.25	253.99
	e) Depreciation and amortisation expense	53.75	53.17	54.04	106.92	107.52	214.66
	f) Other expenses	100.25	113.38	116.01	213.63	258.98	661.05
	Total expenses	1,492.28	1,582.62	1,460.36	3,074.90	2,867.62	5,872.89
3.	Profit/ (Loss) before exceptional items and tax (1-2)	(162.29)	(44.91)	(113.01)	(207.20)	(162.73)	(265.33)
4.	Exceptional items	-	-	-	-	-	6.19
5.	Profit/(Loss) before tax (3-4)	(162.29)	(44.91)	(113.01)	(207.20)	(162.73)	(271.52)
6.	Tax expense	0.08	-	-	0.08	-	(3.98)
7.	Net Profit / (Loss) for the period after tax (5-6)	(162.37)	(44.91)	(113.01)	(207.28)	(162.73)	(267.54)
8.	Non controlling Interest	0.00	0.00	0.00	0.00	0.00	(0.00)
9.	Net Profit/ (Loss) after taxes, non controlling interest (7-8)	(162.37)	(44.91)	(113.01)	(207.28)	(162.73)	(267.54)
10.	Other comprehensive income						
	Items that will not be reclassified to profit or loss	-	-	-	-	-	(5.05)
	Items that will be reclassified to profit or loss	(0.18)	(0.05)	(0.26)	(0.23)	(0.33)	(48.22)
	Income tax on above	-	-	-	-	-	81.20
	Total other comprehensive income	(0.18)	(0.05)	(0.26)	(0.23)	(0.33)	27.93
11.	Total comprehensive income for the period (9+10)	(162.55)	(44.96)	(113.27)	(207.51)	(163.06)	(239.61)
12.	Paid-up equity share capital (Face Value - Re.1/- per share)	127.74	127.74	127.74	127.74	127.74	127.74
13.	Other equity	NA	NA	NA	NA	NA	2,134.66
14.	Earnings per share (EPS) (of Re.1/- each) (not annualised)						
	(a) Basic (Rs. Per share)	(1.30)	(0.36)	(0.93)	(1.67)	(1.41)	(2.23)
	(b) Diluted (Rs. Per share)	(1.30)	(0.36)	(0.93)	(1.67)	(1.41)	(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 AND SIX MONTHS ENDED SEPT 30, 2022

₹(crore)

Sl. No.	Particulars	Consolidated					
		3 Months ended 30.09.2022	Preceding 3 Months ended 30.06.2022	Corresponding 3 Months ended 30.09.2021	Current 6 Months ended 30.09.2022	Corresponding 6 Months ended 30.09.2021	Previous year ended 31.03.2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1.	Segment Revenue						
	a. Sugar	1,228.34	1,512.78	1,213.72	2,741.12	2,536.50	5,722.05
	b. Distillery	253.79	363.67	197.84	617.46	445.02	980.10
	c. Power	15.15	114.35	18.97	129.50	116.63	810.14
	d. Others	5.15	8.06	0.13	13.21	0.30	14.58
	Total	1,502.43	1,998.86	1,430.66	3,501.29	3,098.45	7,526.87
	Less : Inter- segment revenue	179.03	468.94	86.52	647.97	401.70	1,951.22
	Revenue from operations	1,323.40	1,529.92	1,344.14	2,853.32	2,696.75	5,575.65
2.	Segment Results (Profit/(Loss) before tax and interest)						
	a. Sugar	(90.03)	(25.38)	(2.26)	(115.41)	13.50	(31.55)
	b. Distillery	6.21	29.10	(2.50)	35.31	45.32	98.30
	c. Power	(38.09)	(14.20)	(32.92)	(52.29)	(59.57)	(3.73)
	d. Others	(3.52)	2.32	(2.28)	(1.20)	(12.56)	(53.89)
	Total	(125.43)	(8.16)	(39.96)	(133.59)	(13.31)	9.13
	Less: (i) Finance costs	(32.14)	(32.66)	(62.90)	(64.80)	(133.25)	(253.99)
	(ii) Interest Income	0.19	0.92	0.19	1.11	0.39	1.30
	(iii) Other Un-allocable Income net off Un-allocable Expenditure	(4.91)	(5.01)	(10.34)	(9.92)	(16.56)	(27.96)
	Total Profit / (Loss) before Tax	(162.29)	(44.91)	(113.01)	(207.20)	(162.73)	(271.52)
3.	Segment Assets						
	a. Sugar	6,135.40	7,328.64	6,273.13	6,135.40	6,273.13	8,164.72
	b. Distillery	881.44	955.55	925.30	881.44	925.30	964.15
	c. Power	2,049.52	2,083.26	1,526.30	2,049.52	1,526.30	2,111.06
	d. Others	208.04	212.28	212.78	208.04	212.78	212.99
	e. Unallocated	1,564.48	1,582.50	2,206.16	1,564.48	2,206.16	1,596.82
	Total	10,838.88	12,162.23	11,143.67	10,838.88	11,143.67	13,049.74
4.	Segment Liabilities						
	a. Sugar	2,385.33	3,394.85	2,817.70	2,385.33	2,817.70	4,100.21
	b. Distillery	84.25	82.45	55.25	84.25	55.25	89.29
	c. Power	17.90	21.14	11.99	17.90	11.99	17.24
	d. Others	38.32	47.97	27.01	38.32	27.01	58.21
	e. Unallocated	6,261.70	6,401.69	5,894.89	6,261.70	5,894.89	6,525.70
	Total	8,787.50	9,948.10	8,806.84	8,787.50	8,806.84	10,790.65

The consolidated financial results include results of the following companies:

Name of the subsidiary companies

Bajaj Aviation Private Ltd. #

Bajaj Power Generation Private Ltd. #

Bajaj Hindusthan (Singapore) Pte. Ltd., Singapore #

PT.Batu Bumi Persada, Indonesia #

PT.Jangkar Prima, Indonesia #

Holding as on
Sept 30, 2022

Holding as on
March 31, 2022

100.00%

100.00%

100.00%

100.00%

100.00%

100.00%

99.00%

99.00%

99.88%

99.88%

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

Contd...3

Notes:

1 Statement of consolidated assets and liabilities as at Sept 30, 2022 is provided below:-

₹(crore)

Particulars	Consolidated	
	As at Sept 30, 2022	As at March 31, 2022
	Unaudited	Audited
ASSETS		
Non-current assets		
Property, plant and equipment	6,695.81	6,800.72
Right of use assets	3.11	4.21
Capital work in progress	11.19	8.35
Financial assets :		
Loans	0.01	0.03
Other financial assets	12.68	13.39
Other non-current assets	146.30	138.58
Sub-total- Non-current assets	6,869.10	6,965.28
Current assets		
Inventories	646.10	2,745.56
Financial assets :		
Current investments	1,918.47	1,918.47
Trade receivables	168.33	214.30
Cash and cash equivalents	23.63	51.73
Other bank balances	0.33	0.28
Loans	445.58	451.06
Current tax assets (Net)	10.00	15.22
Other current assets	757.34	687.84
Sub-total- Current assets	3,969.78	6,084.46
TOTAL- ASSETS	10,838.88	13,049.74
EQUITY AND LIABILITIES		
Equity		
Equity share capital	124.45	124.45
Other equity	1,926.95	2,134.66
Non controlling interest	(0.02)	(0.02)
Sub-total- Equity	2,051.38	2,259.09
Non-current liabilities		
Financial liabilities:		
Borrowings	4,025.72	4,243.82
Lease liabilities	1.16	2.46
Provisions	92.78	89.54
Deferred tax liabilities	505.63	505.63
Other non current liabilities	20.66	22.00
Sub-total- Non-current liabilities	4,645.95	4,863.45
Current liabilities		
Financial liabilities :		
Borrowing	569.38	567.97
Lease liabilities	2.52	2.38
Trade payables		
total outstanding dues of micro and small enterprises	0.33	0.30
total outstanding dues of other than micro and small enterprises	2,320.92	4,094.43
Other financial liabilities	90.21	107.31
Other current liabilities	1,137.41	1,134.03
Provisions	20.78	20.78
Sub-total- Current liabilities	4,141.55	5,927.20
TOTAL- EQUITY AND LIABILITIES	10,838.88	13,049.74

Contd....4

2 Consolidated Cash Flow Statement is provided below:-

₹(crore)

Particulars	Consolidated	
	Current 6 Months ended 30.09.2022	Corresponding 6 Months ended 30.09.2021
	Unaudited	Unaudited
A. Cash flow from operating activities:		
Net profit/ (loss) before tax	(207.20)	(162.73)
Adjustment for:		
Depreciation and amortisation	106.92	107.52
Reversal of reserve for molasses storage tank-for repair work	(0.20)	(0.74)
Provision for doubtful Debts/ Bad Debts Written off	0.67	(1.33)
Provision for doubtful advances	-	(0.22)
Provision for expenses written back	(0.27)	-
Rental Income	(2.01)	(1.92)
Loss/ (surplus) on sale of property, plant and equipment (net)	(0.15)	0.03
Finance costs	64.80	133.25
Interest income	(1.11)	(0.39)
Exchange fluctuation reserve on consolidation	(0.23)	(0.33)
	168.42	235.87
Operating profit before working capital changes	(38.78)	73.14
Adjustment for:		
Trade and other receivables	(31.00)	8.60
Inventories	2,099.46	1,860.27
Trade and other payables	(1,787.82)	(1,509.69)
Cash generated from operations	241.86	432.32
Direct taxes paid	5.13	(0.32)
Net cash from/(used in) operating activities	246.99	432.00
B. Cash flow from investing activities:		
Purchase of property, plant and equipment	(3.78)	(3.54)
Sale of property, plant and equipment	0.18	2.20
Movement in Loans and advances (net)	5.50	-
Rental Income	2.01	1.92
Interest received	0.85	0.16
Net cash from/(used) in investing activities	4.76	0.74
C. Cash flow from financing activities:		
Repayment of long term borrowings	(218.59)	(362.28)
Proceeds from short term borrowings (net of repayments)	1.41	1.26
Interest paid	(61.26)	(89.25)
Payment of lease liability	(1.41)	(1.59)
Net cash from/ (used in) financing activities	(279.85)	(451.86)
Net increase/(decrease) in cash and cash equivalents	(28.10)	(19.12)
Cash and cash equivalents (opening balance)	51.73	73.78
Cash and cash equivalents (closing balance)	23.63	54.66

- a) The above cash flow statement has been prepared under the "Indirect Method" as per Indian Accounting Standard (Ind AS) 7.
- b) Figures in brackets indicate cash outflow and without brackets indicate cash inflow.

Contd....5

Notes:

- 3 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.
- 4 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.1784.12 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 Sept 30, 2022 as well as coupon interest on OCD for the quarter and Six Month ended on Sept 30, 2022.
- 5 The Parent Company has exposure aggregating to Rs.525.80 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 and six month ended on Sept 30, 2022 of Rs.7.63 Crore and Rs.15.17 Crore Respectively , as and when it is recoverable it will be recognised in the books.
- 6 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. As on Sept 30, 2022, the amount of the principal instalment of Rs.108.60 Crore due out of this Rs.77.68 Crore was paid up to the date. 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. The Parent Company is actively in discussion with State Bank of India (SBI) and other lenders for implementation of the Resolution plan submitted by the Company. As a process the Stressed Assets Resolution Group (SARG) of SBI has initiated Corporate Insolvency Resolution Process (CIRP) of the Company before the Hon'ble National Company Law Tribunal (NCLT) which was also disclosed to the stock exchanges. The Parent Company is actively pursuing the matter with SBI & other lenders and is confident to resolve the matter soon.
- 7 For the quarter and six months ended Sept 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. Also, the parent Company continues to classify bank borrowings into non-current and current as per last approved repayment plan. This matter has been referred by auditors in their limited review report.

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- 8 The figures for the quarter and six months ended Sept 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 and six Months ended Sept 30, 2022 are management certified.
- 9 Previous periods figures have been regrouped/ rearranged/ reworked/ restated wherever necessary to conform to the current period classification.
- 10 The above unaudited consolidated financial results for the quarter and six months ended Sept 30, 2022 were reviewed by the Audit Committee and there after, approved by the Board of Directors and were taken on record at their respective meetings held on November 11, 2022

For Bajaj Hindusthan Sugar Limited

Place: Lucknow
Dated: November 11, 2022

Sd/-
D.K. Shukla
Director
DIN 00025409