

bajaj SUGAR
Bajaj Hindusthan Sugar Ltd.

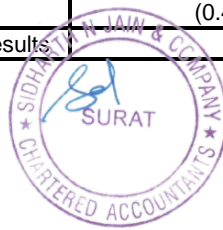
CIN: L15420UP1931PLC065243

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, 2022

₹(crore)

Sl. No.	Particulars	Standalone					
		Current 3 Months ended 31.12.2022 Unaudited	Preceding 3 Months ended 30.09.2022 Unaudited	Corresponding 3 Months ended 31.12.2021 Unaudited	Current 9 Months ended 31.12.2022 Unaudited	Corresponding 9 Months ended 31.12.2021 Unaudited	Previous year ended 31.03.2022 Audited
1.	Income						
	(a) Revenue from operations	1,422.78	1,320.17	1,252.82	4,266.73	3,953.17	5,569.09
	(b) Other income	2.97	5.41	3.56	12.34	11.37	21.13
	Total Income	1,425.75	1,325.58	1,256.38	4,279.07	3,964.54	5,590.22
2.	Expenses						
	a) Cost of materials consumed	1,940.60	13.44	1,547.96	2,395.86	1,933.64	4,609.93
	b) Changes in inventories of finished goods, by-products and work-in-progress	(832.64)	1,207.29	(495.75)	1,237.53	1,339.01	(209.67)
	c) Employee benefits expense	94.77	85.21	85.82	258.52	232.97	342.31
	d) Finance costs	94.97	32.14	61.55	159.76	194.61	253.55
	e) Depreciation and amortisation expense	53.74	53.74	54.24	160.64	161.75	214.63
	f) Other expenses	132.87	93.82	167.64	334.51	420.07	601.83
	Total expenses	1,484.31	1,485.64	1,421.46	4,546.82	4,282.05	5,812.58
3.	Profit/(Loss) before tax (1-2)	(58.56)	(160.06)	(165.08)	(267.75)	(317.51)	(222.36)
4.	Tax expense	-	-	-	-	-	(4.11)
5.	Net Profit / (Loss) for the period after tax (3-4)	(58.56)	(160.06)	(165.08)	(267.75)	(317.51)	(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)	(58.56)	(160.06)	(165.08)	(267.75)	(317.51)	(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)	(0.47)	(1.29)	(1.33)	(2.15)	(2.67)	(1.82)
	(b) Diluted (Rs. Per share)	(0.47)	(1.29)	(1.33)	(2.15)	(2.67)	(1.82)
	See accompanying notes to the Standalone Financial Results						

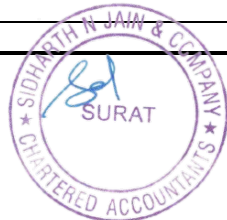


Contd.2...

UNAUDITED STANDALONE SEGMENT- WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022

₹(crore)

Sl. No.	Particulars	Standalone					
		Current 3 Months ended 31.12.2022	Preceding 3 Months ended 30.09.2022	Corresponding 3 Months ended 31.12.2021	Current 9 Months ended 31.12.2022	Corresponding 9 Months ended 31.12.2021	Previous year ended 31.03.2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1.	Segment Revenue						
	a. Sugar	1,669.89	1,228.34	1,370.88	4,411.01	3,907.38	5,722.05
	b. Distillery	155.69	253.79	197.21	773.15	642.23	980.10
	c. Power	348.53	15.15	248.95	478.03	365.58	810.14
	d. Others	1.92	1.92	1.92	5.76	5.82	8.02
	Total	2,176.03	1,499.20	1,818.96	5,667.95	4,921.01	7,520.31
	Less : Inter- segment revenue	753.25	179.03	566.14	1,401.22	967.84	1,951.22
	Revenue from operations	1,422.78	1,320.17	1,252.82	4,266.73	3,953.17	5,569.09
2.	Segment Results (Profit/(Loss) before tax and interest)						
	a. Sugar	20.48	(90.03)	(97.59)	(94.93)	(84.09)	(31.55)
	b. Distillery	8.58	6.21	(2.68)	43.89	42.64	98.30
	c. Power	13.36	(38.09)	6.72	(38.93)	(52.85)	(3.73)
	d. Others	(1.23)	(1.28)	(1.17)	(3.70)	(3.61)	(4.61)
	Total	41.19	(123.19)	(94.72)	(93.67)	(97.91)	58.41
	Less: (i) Finance costs	(94.97)	(32.14)	(61.55)	(159.76)	(194.61)	(253.55)
	(ii) Interest Income	0.21	0.18	0.16	0.59	0.54	0.74
	(iii) Other Un-allocable Income net off Un-allocable Expenditure	(4.99)	(4.91)	(8.97)	(14.91)	(25.53)	(27.96)
	Total Profit / (Loss) before Tax	(58.56)	(160.06)	(165.08)	(267.75)	(317.51)	(222.36)
3.	Segment Assets						
	a. Sugar	6,913.09	6,135.40	6,755.27	6,913.09	6,755.27	8,164.72
	b. Distillery	945.98	881.44	986.31	945.98	986.31	964.15
	c. Power	899.30	899.27	990.44	899.30	990.44	954.28
	d. Others	193.37	194.41	197.66	193.37	197.66	196.51
	e. Unallocated	3,327.85	3,307.11	3,278.98	3,327.85	3,278.98	3,330.59
	Total	12,279.59	11,417.63	12,208.66	12,279.59	12,208.66	13,610.25
4.	Segment Liabilities						
	a. Sugar	3,522.06	2,385.33	3,556.45	3,522.06	3,556.45	4,100.21
	b. Distillery	81.68	84.25	55.86	81.68	55.86	89.29
	c. Power	19.56	17.90	14.40	19.56	14.40	17.24
	d. Others	0.41	0.45	0.53	0.41	0.53	0.43
	e. Unallocated	6,046.53	6,261.70	5,831.13	6,046.53	5,831.13	6,525.69
	Total	9,670.24	8,749.63	9,458.37	9,670.24	9,458.37	10,732.86



Contd.3...

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, which 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.2,124.88 Crore from the date of allotment of OCDs till Dec 31, 2022 (Including Rs.114.00 Crore and Rs.340.76 Crore for the quarter and nine months ended on Dec 31, 2022 respectively) is treated as a 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 Dec 31, 2022 .

During this quarter, the Company has provided Rs.65.61 Crore towards coupon rate Interest on such OCDs for the period of nine months (Apr 1, 2022 to Dec 31, 2022) including Rs.21.95 Crore for the Current quarter (Oct 1, 2022 to Dec 31, 2022).

- 3 The Company has exposure aggregating to Rs.1,744.09 Crore, in its three wholly-owned subsidiaries (WOS) , by way of investments, loans, accumulated interest on these loans, and receivables, which are considered good. On the basis of principle of conservatism & prudence and these being WOS, the Company has not recognised interest income for the quarter and Nine Month ended on Dec 31, 2022, of Rs.28.34 Crore and Rs.84.71 Crore respectively, on inter corporate loans to these WOS. The same will be recognized in the books, as and when it is recoverable. Auditors have drawn emphasis of matter in their limited review report.
- 4 Due to delay in debt servicing, the lenders had classified the Company's account as Non - performing Assets (NPA) as per the RBI regulations. As a process the Stresses 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 in the stock exchanges. The Company is actively pursuing the matter with SBI & other lenders and is confident to resolve the matter soon. As on date, the Company's account is fully regular with all the lenders including SBI and there is no overdue outstanding. Based on the same, some of the lenders have already upgraded the Company's account status to " standard and regular" category, while other lenders are considering the upgrade.
- 5 For the Current quarter and Nine Month ended Dec 31, 2022, and in earlier years, the Company had incurred losses resulting in the reduction of net worth to such extent and accumulation of outstanding cane dues. 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 using B heavy molasses, reduction of overheads, finance, other costs and monetization of certain non-core assets etc.

The Government has also taken various measures to improve the financial health of the sugar industry in recent past, like allowing export of sugar, 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 above unaudited standalone financial results for the quarter and nine month ended Dec 31, 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 February 13, 2023.

Place: Lucknow
Dated: February 13, 2023



For Bajaj Hindusthan Sugar Limited


D.K. Shukla
Director
DIN 00025409