



**Bajaj Hindusthan Ltd.**

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**69<sup>TH</sup> ANNUAL REPORT  
1999-2000**

# Bajaj Hindusthan Limited

## Board of Directors:

Rahul Bajaj, (*Chairman & Director upto 20.9.1999*)

Shishir Bajaj, (*Chairman (effective from 29.10.1999) & Managing Director*)

Madhav L. Apte

Nirmalkumar Ramniwas Ruia

Dhirajlal S. Mehta

Uday S. Kotak

Mangal Singh (*Executive Director*)

A. Ramamurthy (*Representing LIC*)

Niraj Bajaj (*from 29.10.1999*)

## Secretary:

R. Ramachandran

## Auditors:

Dalal & Shah, *Chartered Accountants*

## Bankers:

State Bank of India

Punjab National Bank

## Registered Office:

Bajaj Bhawan,  
2nd Floor,  
226, Nariman Point, Jamnalal Bajaj Marg,  
Mumbai 400 021

## Sugar Mills:

Golagokarannath & Palia Kalan  
Dist. Kheri, Uttar Pradesh

## Distillery:

Golagokarannath,  
Dist. Kheri, Uttar Pradesh

### A request:

The practice of distributing copies of the Annual Report at the Annual General Meeting has been discontinued in view of the high cost of paper and printing. You are, therefore, requested to bring your copy of the Annual Report to the Meeting.

**69th Annual General Meeting on Thursday, the 10th August, 2000  
at 4.00 P.M. at Kamalnayan Bajaj Auditorium, Bajaj Bhawan,  
Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai 400 021.**

**BAJAJ HINDUSTHAN LIMITED****Notice**

NOTICE is hereby given that the Sixty-ninth Annual General Meeting of the Members of Bajaj Hindusthan Limited will be held at 4.00 P.M. (S.T.) on Thursday, the 10th August, 2000 at Kamalnayan Bajaj Auditorium, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai 400 021 to transact the following business:

1. To consider and adopt the Directors' Report and Audited Balance Sheet and Profit and Loss Account for the year ended 31st March, 2000.
2. To note the payment of interim dividend and to declare it as final dividend for the year 1999-2000.
3. To appoint a Director in place of Shri Dhirajlal S. Mehta, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Shri Nirmalkumar R. Ruia, who retires by rotation and being eligible offers himself for reappointment.
5. To consider and, if thought fit, to pass with or without any modifications, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 224 A and other applicable provisions, if any, of the Companies Act, 1956 Messrs. Dalal & Shah, Chartered Accountants, the retiring Auditors of the Company, be and are, hereby reappointed as Auditors of the Company to hold office from the conclusion of this meeting upto the conclusion of the next Annual General Meeting of the Company on a remuneration of Rs. 4,50,000 (Rupees Four Lacs and Fifty Thousand only) plus service tax and reimbursement of travelling and other out-of-pocket expenses."

**NOTES:**

1. THE RELATIVE EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956, IN RESPECT OF ORDINARY BUSINESS SPECIFIED IN THE NOTICE UNDER ITEM 5 IS ANNEXED HERETO.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, the 4th August, 2000 to Thursday, the 10th August, 2000 (both days inclusive).
4. Members are requested to notify immediately any change of address to their Depository Participants

(DPs) in respect of their electronic share accounts and to the Company at its Registered Office in respect of their physical share folios, if any.

5. The Company has been maintaining, inter alia, the following statutory registers at its registered office at Bajaj Bhawan, 2nd Floor, 226, Nariman Point, Mumbai 400 021 which are open for inspection of members and others as prescribed in the respective Sections of the Companies Act, 1956 as specified below:
  - i) Register of Contracts with companies and firms in which directors are interested under Section 301 of the Companies Act, 1956 on all working days during business hours.
  - ii) Register of Directors' Shareholdings under Section 307 of the Companies Act, 1956 on all working days during business hours during the period beginning fourteen days before the date of annual general meeting and ending three days after the date of its conclusion.
6. a) In accordance with the provisions of Section 205A of the Companies Act, 1956, the Company has, from time to time, transferred unclaimed dividends relating to the years upto 1993-94 to the General Revenue Account of the Central Government.

The Unclaimed Dividends for the years upto 1989-90 relating to erstwhile Sharda Sugar & Industries Limited (since amalgamated with the Company) have also been transferred to the General Revenue Account of the Central Government.

Members who have valid claim to any of the unclaimed dividends referred to above may claim the same from the Registrar of Companies, Maharashtra, Hakoba Mills Compound, 2nd Floor, Dattaram Lad Marg, Kalachowkie, Mumbai 400 033 in the prescribed manner.

- b) As a result of the amendments introduced through Sections 205A to 205C of the Companies Act, 1956, any money transferred to the unpaid dividend account which remains unpaid or unclaimed for a period of 7 years from the date of such transfer shall be transferred by the company to a fund called "Investor Education and Protection Fund" set up by the Central Government. Accordingly, the unpaid/unclaimed dividends for the years 1994-95, 1997-98 and 1998-99 will become

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transferrable at the end of seven years respectively, to the said Investor Education and Protection Fund and no claims shall lie against the said Fund or the Company in respect of individual amounts thereafter. Shareholders are, therefore, requested to check up and send their claims, if any, for the relevant years 1994-95, 1997-98 and 1998-99 before the respective amounts become due for transfer to the above Fund.

7. Members in their own interest are requested to furnish, if not already done and in case of change/s, if any, to the particulars already furnished under the signature of Sole/First holder the following particulars viz. i) The Bank Account No. (Savings/Current A/c.), ii) the Name of the Bank, iii) Name of Branch of the said Bank and iv) Full address of

the Branch of the said Bank to enable the Company to print the above particulars in the Dividend Warrant from time to time.

By Order of the Board of Directors  
For Bajaj Hindusthan Limited

R. Ramachandran  
Secretary

Mumbai, Dated: 2nd June, 2000.

Registered Office:  
Bajaj Bhawan, 2nd Floor,  
226, Nariman Point,  
Jamnalal Bajaj Marg,  
Mumbai 400 021.

**Annexure to Notice**

**EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173(2)  
OF THE COMPANIES ACT, 1956**

**Re: Item No. 5**

Section 224A of the Companies Act, 1956, provides that in the case of a Company in which not less than 25% of its subscribed share capital is held whether singly or in any combination by:

- a public financial or other institution or a Government Company or Central Government or any State Government, or
- any financial or other institution established by any Provincial or State Act in which a State Government holds not less than 51% of the subscribed share capital, or
- a nationalised bank or an insurance company carrying on general insurance business,

the appointment or re-appointment at each Annual General Meeting of an Auditor or Auditors shall be made by a Special Resolution.

As not less than about 25% of the subscribed share

capital of the Company is held by financial institutions, banks, etc. the reappointment of Auditors on the terms as set out in the Resolution under item No. 5 of the accompanying Notice is proposed by a Special Resolution. The Directors recommend the Resolution for approval of the shareholders.

None of the Directors of the Company is in any way concerned or interested in this Resolution.

By Order of the Board of Directors  
For Bajaj Hindusthan Limited

R. Ramachandran  
Secretary

Mumbai, Dated: 2nd June, 2000.

Registered Office:  
Bajaj Bhawan, 2nd Floor,  
226, Nariman Point,  
Jamnalal Bajaj Marg,  
Mumbai 400 021.

**SHAREHOLDER INFORMATION**

- Annual General Meeting : Date and Time : 10th August, 2000, 4.00 P.M.
- Dates of Book Closure : 4th August, 2000 to 10th August, 2000.
- Stock Exchanges on which the Company's Securities are listed.

The Equity Shares of the Company are listed at the following 2 Stock Exchanges in India :—

- |   |   |
|---|---|
| 1. The Stock Exchange, Mumbai<br>(Regional Stock Exchange)<br>Phiroze Jeejeebhoy Towers<br>Dalal Street<br>Mumbai 400 023 | 2. National Stock Exchange of India Ltd.<br>Trade World<br>Senapati Bapat Marg<br>Lower Parel<br>Mumbai 400 013 |
|---|---|

The Non-Convertible Debentures issued on Rights basis are listed only on the Stock Exchange, Mumbai.

**NOTE:** The Company has paid annual listing fees to each of the above Stock Exchanges for the financial year 2000-2001 for the above.



**BAJAJ HINDUSTHAN LIMITED****Directors' Report**

The Directors present their Sixty-ninth Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2000.

**Financial Results:**

	<b>1999-2000</b>	1998-99
	(Rs. in Lacs)	
Sales and other Income	<b>26563</b>	30407
Gross Profit before interest and depreciation	<b>3382</b>	5688
Interest	<b>1606</b>	2025
Depreciation	<b>1031</b>	1088
Provision for Taxation	<b>45</b>	600
Balance Profit for the year	<b>700</b>	1975
Disposable Surplus after adjustments	<b>809</b>	2090
Dividend	<b>218</b>	218
Tax on Dividend	<b>24</b>	24
Transfer to General Reserve	<b>500</b>	1800
Balance Carried to Balance Sheet	<b>67</b>	48

**Dividend :**

The Board of Directors of the Company at its meeting held on 17-3-2000 had decided to pay interim dividend for the year 1999-2000 @ Rs. 2.50 per equity share of the face value of Rs. 10 each. The Board had fixed 3rd May, 2000 as the Record Date for the payment of interim dividend and the same was paid on 15-5-2000. The aggregate amount of interim dividend paid inclusive of Tax @ 11% is Rs. 2.42 Crores.

The Directors recommend that interim dividend of Rs. 2.50 per equity share (25%) paid as above be taken as final dividend for 1999-2000.

**Operations :**

<b>SUGAR MILLS</b>		<b>1999-2000</b>		1998-99	
a) Gola Unit:	Account- ing year	Season 24-11-99 to 20-5-2000	Account- ing year	Season 22-11-98 to 28-4-99	
Sugarcane crushed (Lac Tonnes)	<b>12.56</b>	<b>14.12</b>	11.45	12.41	
Recovery (%)	<b>9.70</b>	<b>9.74</b>	9.55	9.60	
Sugar Production (Lac Tonnes)	<b>1.21</b>	<b>1.42</b>	1.09	1.21	
b) Palia Unit:	Account- ing year	Season 28-11-99 to 13-5-2000	Account- ing year	Season 30-11-98 to 16-4-99	
Sugarcane crushed (Lac Tonnes)	<b>8.71</b>	<b>10.47</b>	8.28	7.76	
Recovery (%)	<b>9.36</b>	<b>9.41</b>	9.31	9.15	
Sugar Production (Lac Tonnes)	<b>0.82</b>	<b>0.99</b>	0.77	0.71	
<b>DISTILLERY</b>		<b>1999-2000</b>		1998-99	
Industrial Alcohol Production (Kilo Litres)	<b>8367</b>		7378		

**Sugar Division:**

With All India production of 15.5 million tonnes of sugar in 1998-99, the year 1999-2000 started with carryover stocks of 6.9 million tonnes of sugar. During the current year, the production is expected to further increase to about 17 million tonnes. With the consumption of sugar being estimated at about 16 million tonnes, the year is set to close with the stocks of 8.4 million tonnes.

For the year 1999-2000, the Government of India has increased the minimum statutory cane price from Rs. 52.70 per quintal linked to the base of 8.50% recovery to Rs. 56.10 per quintal.

For the season 1999-2000, the Government of U.P. has increased the State advised cane price from Rs. 80 to Rs. 85 per quintal for the general varieties and Rs. 90 per quintal for the varieties designated as early ones.

**Levy Price:**

The Government of India has announced the revised levy price for the year 1999-2000. The price for the Central U.P. zone where our factories are situated has been revised from Rs. 1049.09 per quintal to Rs. 1075.41 per quintal i.e. an increase of Rs. 26.32. In the computation of the price, the Cost Accounts Branch of the Ministry of Finance has made certain significant departures such as disallowing the cost of cane transport, harvesting charges and lowering of the post tax return on capital and making of negative adjustment in respect of the receipts for bagasse, press mud and molasses. The Indian Sugar Mills Association ('Association') has made representation to the Government to seek immediate correction and refixing the levy prices. Regional Associations in U.P. have also gone to the Courts of Law.

**Decontrol:**

The Government of India is actively considering the decontrol of sugar from the beginning of the next sugar year i.e. October, 2000 and also the lifting of the distribution control i.e. scrapping the monthly release mechanism. Foreseeing the current situation in view of heavy carry forward stocks the Association has suggested to the Government the continuance of the release mechanism along with the decontrol. The Association is also pursuing with the Government for creation of buffer stock of 1 million tonnes and introduction of forward trading to begin with and subsequent switchover to future trading in due course.

**Imports discouraged:**

During the last few months, the Government having realised the undesirability of sugar imports has taken some steps to discourage the imports. Import Duty has been increased from 40% to 60% from February 9, 2000. On 17th February, 2000, the imported sugar

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was brought under levy obligation like the domestic sugar. In the budget, the Government has also stipulated a tariff rate on imported sugar at 100%. Following these steps and hardening of the international prices, the sugar imports have practically thinned out. This has helped in improving the market realisation. The Government has also relaxed the levy/free ratio from 40-60 to 30-70 and has increased the issue price of Levy sugar in the P.D.S. to Rs. 13/- per kg. from Rs. 12/- per kg.

The Supreme Court of India had directed the Central Government to announce additional cane price after considering the Clause 5A of Sugar Control Order for the season 1974-75 to 1978-79. The Government has yet to implement the directive.

The High Courts in Gujarat and Karnataka have declared the sugar industry as a permanent industrial establishment on the basis of which the INTUC has been pressing the Union Ministry of Labour to declare the Sugar Industry as a permanent industrial establishment under the Industrial Disputes Act. Since this will have a serious repercussion on the sugar industry, the Association is taking action to ensure that the character of sugar industry as a seasonal one remains unchanged.

Under the ongoing programme of varietal replacement, both Gola and Palia units have introduced the early and high sugarcane varieties as available to the extent of 28% and 16% respectively as a result of which the recovery at both the plants is somewhat higher by about 0.2% approx on cane. With abundant cane being available this season, the overall crushing at Gola and Palia has been higher at 14 Lakhs tonnes and 10.5 Lakhs tonnes respectively.

The Institute of Chartered Accountants of India has issued new accounting standards regarding the valuation of cost of production applicable from 1.4.99 onwards. By following these new standards our closing stock value will be reduced by Rs. 9.20 Crores.

### Distillery:

This year the distillery produced 83.65 Lacs litres Spirit against the production of 73.77 Lacs litres Spirit of the previous year. The sales have been better at 87 Lacs litres as against 32.2 Lacs litres in the previous year. The interministerial committee of the Government is examining the modalities of 5% admixture of anhydrous alcohol with petrol as oxygenate to control the vehicular pollution in the metros. Gola has installed a plant for production of 25000 LPD of anhydrous alcohol and with blending coming in, the performance of the distillery will improve.

From the newly commissioned Biomethanation project, approximately 18,000 M<sup>3</sup> day of biogas is being

recovered. The same is being utilised in sugar factory's old boiler as fuel. A pilot project of biocomposting using biomethanated distillery effluent and sugar mills' press mud is also under implementation.

## INHOUSE RESEARCH AND DEVELOPMENT:

### Sugarcane

The Jamnalal Bajaj Institute of Applied Agricultural Research has been accepted as a voluntary station for testing and evaluation of sugarcane varieties. Work under All India Coordinated Research Project and zonal varietal trials is being continued in collaboration with the Sugarcane Breeding Institute, Coimbatore, Indian Institute of Sugarcane Research and U.P. Council of Sugarcane Research. Several early and Midlate varieties have been tested and identified to be increased in our areas of operation like 95255, 96258, 8436, 8432, OP9530 and COS 92923. Along with this, work on improved cultural practices and crop geometry etc. is being continued with inputs to the extension divisions for popularisation under the Cane Development programmes.

#### 1. a) Seed Programme

The new technique of seed multiplication through polybag method developed and commercialised has a good response in this area for multiplication of seeds of new varieties by farmers. At Gola and Palia about 2 Crores plantlets of improved varieties have been prepared and given to the farmers for multiplication. Polybag method of planting has demonstrated its economic superiority.

#### b) Tissue Culture

Tissue Culture technique is being used in rapid multiplication of new varieties. By this technique 5.41 Lacs plantlets of improved varieties were produced. The nonavailability of land for foundation nurseries is handicapping faster work. The Govt. of U.P. is now considering assistance to Tissue Labs by making farm land available which will give a boost to the programme.

#### c) Seed Treatment

Moist hot air treatment is being given to seed for nurseries to prevent diseases. Both units have provided the treatment plants at the Gate and out stations to facilitate the treatment. 16000 Qtls. of seed material has been heat treated.

## 2. Integrated Pest Management:

Biological control lab installed at Palia is functioning well. More than 805 Lacs parasites of stem borers i.e. trichogramma chilonis have been produced and released

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in the affected fields. Impact study was carried out with involvement of experts of Haryana Agricultural University to observe positive response. The programme is proposed to be extended to both factory areas. Parasites for other top shoot and root borers are proposed to be developed with assistance from the Scientists of Sugarcane Breeding Institute, Coimbatore.

**3. Biomanure and Vermi Compost**

Production of Vermi Compost at both factories was continued and 900 Qtls. Vermi Compost produced was given to farmers for demonstrations. Farmers' own Centres are being encouraged. Through Technical Collaboration with Indian Institute of Sugarcane Research, Biomanure was produced by use of Press Mud and Agri-wastes which is applied to the crop for assessment of efficiency.

**4. Multiple Ratooning**

To promote farming economy, multiple ratooning demonstrations have been laid in both factory areas to educate farmers on the Ratoon Management packages. The trials indicated good performance of two ratoons with yields of about 70 Tons/Ha.

**5. Others**

Farmers' training programmes were organised and 370 field demonstrations were established to demonstrate the improved cultural practices. Subsidies for establishment of 947 borewells were provided to increase the irrigation facilities in the areas. Varietal replacement programme was continued to replace several deteriorated varieties of sugarcane.

**Depository:**

Effective from 15.2.1999, all institutional investors (FIs, FII, Mutual Funds and Banks) and Overseas Corporate Bodies (OCBs) are required to compulsorily trade in dematerialized form in respect of the Equity Shares of the Company. The Company had earlier entered into the necessary agreement with National Securities Depository Ltd. ('NSDL') for dematerialisation of equity shares of the Company effective from 15.2.1999 as stated above.

The Company has now entered into the necessary agreement also with Central Depository Services (India) Limited ('CDS') for dematerialisation of equity shares of the Company through CDS shortly.

As per SEBI mandate, the equity shares of the Company will be delivered only in demat form in respect of all investors with effect from 26.6.2000.

**Y2K Compliance:**

The Company had already taken appropriate and effective steps to achieve Year 2000 (Y2K) problem. The necessary Computer Hardware and Software had already been procured and old Non Y2K compliant systems replaced. The Company had not faced any problem related to Y2K bug after installation of Y2K compliant Hardware and Software.

**Directors:**

Shri N. Ramamurthi, representing Life Insurance Corporation of India (LIC) on the Board of the Company, resigned as a Director with effect from 20.5.1999. The Board wishes to place on record its appreciation of the valuable services rendered by Shri N. Ramamurthi.

Shri A. Ramamurthy, representing LIC was appointed as an Additional Director on the Board with effect from 20.7.1999. At the 68th Annual General Meeting held on 15.9.1999 he was appointed as a Director liable to retire by rotation.

Shri Rahul Bajaj resigned as Chairman and Director of the Company with effect from 21.9.1999. The Board wishes to place on record the valuable services rendered to the Company by Shri Rahul Bajaj.

Shri Shishir Bajaj was appointed as the Chairman of the Board of Directors of the Company with effect from 29.10.1999.

Shri Niraj Bajaj was appointed as a Director with effect from 29.10.1999, in the casual vacancy caused by the resignation of Shri Rahul Bajaj.

Shri D. S. Mehta and Shri N. R. Ruia retire by rotation and being eligible for reappointment, have offered themselves accordingly.

**Auditors' Report:**

The Auditors have included in the attached report a reference to some of the Notes in Schedule 15 forming part of the attached Accounts. They have also included statements on certain additional matters as required by Manufacturing and Other Companies (Auditor's Report) Order, 1988. The said Notes and Statements are self-explanatory.

**Auditors:**

You are requested to appoint Auditors for the period commencing from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

**Pollution & Environmental Control:**

As required by pollution control laws, the Company has already submitted environmental statement for the year 1998-99 to the U.P. State Pollution Control Board. The environmental statement for the year 1999-2000 will be submitted shortly. To improve the environment, the Units launched tree planting campaigns. Generation

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of liquid effluents has been minimised by adoption of water reuse and recycling systems.

### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The relevant data regarding the above is given in the Annexure hereto and forms part of this Report.

### Particulars of Employees:

Particulars required under Section 217(2A) of the Companies Act, 1956 as amended regarding employees are set out in the Annexure hereto and forms part of this Report.

### Rural Development Activities at Gola and Palia:

To improve the Socio-Economic condition of the weaker sections of the Society, the Company set a comprehensive programme of rural development for 3 years (1998-99/2000-2001) which is approved by the National Committee for Promotion of Social and Economic Welfare, Dept. of Revenue, Ministry of Finance, Govt. of India. Accordingly, the following activities in association with Jamnalal Bajaj Foundation (JBF), Khadi and Village Industries Commission (KVIC), Council for Advancement of People's Action & Rural Technology (CAPART), Non-Conventional Energy Development Agency (NEDA), Family Planning Association of India (FPAI) and State Health and Forest Depts. were undertaken:

- (1) Family planning operations—405,
- (2) Distribution of condoms—735, Oral Pills—100,
- (3) Immunisation—1814,
- (4) Naturopathy treatments—3061.
- (5) Tree plantation—350 saplings,
- (6) Training of 121 youth under self-employment and income generating schemes,
- (7) Installed 66 Biogas plants,
- (8) Distributed 11 Solar equipments,
- (9) Treated 614 patients through 2 Eye Camps in the rural areas,
- (10) Operated 5 NMC Centres for thread weaving in villages to ensure employment of 150 ladies and
- (11) Constructed 50 Rural low-cost latrines in the villages.

Under the awareness programme, organised 9 Exhibitions, 5 Seminars, 19 Village meetings and 21 Awareness Camps.

The tie-up with F.P.A.I. grew one and a half year old at Gola. Under its auspices 1346 cases of Family Planning were enrolled. 144 Mothers and 970 children were immunised. Community was mobilised and 78 Community Groups (Mandals) with 1500 Membership volunteered for Community Action.

Women were empowered by opening 6 Sewing Centres (beneficiaries 168), 2 Female Literacy Centres (beneficiaries 51) and 9 Balwaries (attendance 280 children).

19 Sports Clubs (Membership 414) and 9 Reading Rooms/Libraries were also opened in which 1000 persons were benefitted in rural areas.

Reproductive health care was introduced at 4 Bajaj Hindusthan Cane collection points in which F.P.A.I. branch Sangam condom apart from other contraceptives were distributed benefitting 400 farmers.

### Cultural and Welfare Activities:

1. Third anniversary of Laxmi Narain Temple was celebrated on 20-2-2000 at Gola. On this occasion, an orchestra team headed by famous 'Bhajan' singer Shri Hari Om Sharanji and Smt. Nandini Sharan and party presented their programme at Gola on 20-2-2000 and at Palia on 21-2-2000 respectively.
2. Two parks with lawn, greeneries and ornamentals were developed adjacent to Temple and Colony at Gola. Jogging tracks are also provided for morning walks and exercises etc. both at Gola and Palia units.
3. 222 Students were provided Scholarships under Educational Promotion Programme.
4. Religious Tours of workers were organised to Purnagiri and Badrinath, Kedarnath and Gangotri.
5. Friendly matches were organised between Gola and Palia workers.

### Relief for Kargil & Orissa Storm Victims:

The Officers and workers contributed a sum of Rs. 1,25,000/- to Prime Minister's Relief Fund for Kargil Victims.

The Company has provided substantial relief in the form of 21 Quintals Fooding material to the Storm Victims of Orissa through district administration.

### Industrial Relations:

The industrial relations have been cordial at both the Sugar Divisions at Gola and Palia and the Distillery Division at Gola.

The Directors express their appreciation of the sincere cooperation received from the workers, staff and the executives during the year.

For and on behalf of the Board of Directors

**SHISHIR BAJAJ**  
Chairman & Managing Director

Mumbai,

Dated : 2nd June, 2000.



**BAJAJ HINDUSTHAN LIMITED****Annexure to Directors' Report****DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.****CONSERVATION OF ENERGY:****Gola**

With continuous operation of new 80 t/h high pressure fully automatic boiler with 2 Nos. 3 MW multistage back pressure turbo alternators from the beginning of season

and running them at maximum loading, the overall efficiency of the plant had further improved and there was self-sufficiency of steam and power demand for Sugar Plant, Distillery, ETP, Biomethanation plant and colony.

Biomethanation Plant suitable to handle 750 M<sup>3</sup> Spent Wash per day is in operation since start of season and is regularly supplying methane gas to boilers to partly substitute the bagasse.

With these measures both the Sugar and Distillery Units are self sufficient in fuel and energy.

**Palia**

The high pressure boilers coupled with multistage back pressure turbo alternators worked efficiently to produce sufficient steam power for plant and colony etc. considerable savings of fuel resulted.

**FORM-A**

## Disclosure of particulars with respect to conservation of Energy

(To the extent applicable)

Power and Fuel Consumption:		This Year	Previous Year
Electricity			
a) Purchased			
i) Unit (Sugar Divn. Gola)	000 KWH	<b>1750</b>	2572
Total amount (Rs.)	Rs. Lakhs	<b>77</b>	138
Rate/Unit (Rs.)	Rs./KWH	<b>4.43</b>	5.35
ii) Unit (Sugar Divn. Palia)	000 KWH	<b>507</b>	660
Total amount (Rs.)	Rs. Lakhs	<b>33</b>	39
Rate/Unit (Rs.)	Rs./KWH	<b>6.46</b>	5.91
b) Own Generation through Diesel Generator			
i) Unit (Sugar Divn. Gola)	000 KWH	<b>1632</b>	1274
Unit per litre of Diesel Oil	KWH./LTR	<b>2.96</b>	2.86
Cost (Rs.)	Rs. Lakhs	<b>79</b>	55
Rate/Unit (Rs.)	Rs./KWH	<b>4.83</b>	4.35
ii) Unit (Sugar Divn. Palia)	000 KWH	<b>1416</b>	1085
Unit per litre of Diesel Oil	KWH./LTR	<b>3.35</b>	3.11
Cost (Rs.)	Rs. Lakhs	<b>66</b>	47
Rate/Unit (Rs.)	Rs./KWH	<b>4.66</b>	4.33

**FORM-B**

## Disclosure of particulars with respect to Technology Absorption

(To the extent applicable)

## Research &amp; Development (R&amp;D)

- Specific areas in which R&D carried out by the Company

Under Sugarcane Research & Development, the activities of 1998-99 were accelerated as under:—

Functioning of Micropropagation of Sugarcane seeds through Tissue Culture. Polybag method and multiple ratooning, front line demonstrations on various techniques of Sugarcane culture, evaluation of 100 Sugarcane varieties, development of Biological parasites to control borers, soil testing, Vermi Compost production and thermo-therapy of Sugarcane seeds for multiplying high sugared varieties etc. were adopted in both the units.

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## 2. Benefits derived as a result of above R&amp;D activities

- a) Increase of yield of Sugarcane resulted in higher availability to the factories.
  - b) Production of better quality raw material, minimisation of the incidence of pest and disease and increased supply of Early varieties of cane.
  - c) Adoption of Vermi Compost technology by farmers introduced to reduce cost of chemical fertilisers.
  - d) New high sugared varieties given to the farmers for commercial cultivation.
  - e) The plants worked with better fuel/steam/energy use efficiencies which resulted in savings of bagasse.
  - f) Based on Inhouse R&D work on process optimisation plans have been prepared for upgrading the plants for production of better quality sugar.
  - g) Farmers training programmes resulted in adoption of improved cultural practices and the quality of cane.
3. Future Plan of Action
- a) Expand the activities of Biological control laboratory and introduce the environment friendly integrated pest management.
  - b) Replacement of old and deteriorating varieties with new and promising ones.
  - c) Establish soil testing lab in Palia also.
  - d) Increase the activities of Jamnalal Bajaj Institute of Applied Agricultural Research ("JBIAAR") to expand collaborative applied to research work.
  - e) Recognition of JBIAAR by the Director General (ITE), Calcutta u/s 35(1)(iii) of the Income-tax Act.

## 4. Expenditure on R&amp;D

a) Capital	Rs. 1.25 lacs
b) Recurring	Rs. 24.42 lacs
c) Total	Rs. 25.67 lacs
d) Total R&D Expenditure as a percentage of total turnover	0.10%

## Technology absorption, adaptation and innovation

	1999-2000	1998-99
1. Efforts in brief, made towards technology absorption, adaptation and innovation :	Nil	Nil
2. Benefit derived as a result of the efforts e.g. product improvement, cost reduction, product development, import substitution etc. :	Nil	Nil
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished: :		
a) Technology imported	Nil	Nil
b) Activities relating to exports	Nil	Nil
Initiative taken to increase exports	Nil	Nil
Development of new Export Markets for products and services	Nil	Nil
Export Plans	Nil	Nil