



Riga Sugar Company Ltd.

An ISO 9001:2008 & ISO 14001:2004 Certified Company

Regd. Office : 14, Netaji Subhas Road, 2nd Floor, Kolkata - 700 001

☎ : 2231-3414/3415/3416, 4050 6600 Fax : (033) 2230-3663

E-mail ; ho.rigasugar@gmail.com, Website : www.rigasugar.com

CIN-L15421WB1980PLC032970

14.08.2019

BSE Ltd.
25th Floor, P.J.Towers,
Dalal Street,
Mumbai – 400 001

The Calcutta Stock Exchange Ltd.,
7, Lyons Range
Kolkata-700 001

Dear Sirs,

Sub: Un-audited Quarterly Financial Results alongwith Limited Review Report of statutory auditors of the Company

The Board of Directors of the Company at their meeting held on 14th August, 2019 have approved the, Un-audited Quarterly Financial Results alongwith Limited Review Report of statutory auditors of the Company for the period ended 30th June, 2019 as per Regulation 33 of SEBI(LODR) Regulations, 2015.

Enclosed herewith please find a copy of the above Financial Results with Limited Review Report for your record purpose.

Thanking you,

Yours faithfully,
For RIGA SUGAR CO. LTD.


O.P.Dhanuka
Chairman- Managing Director

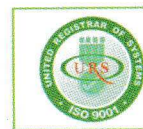
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URS is a member of Registrar of Standards (Holdings) Ltd.



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SALARPURIA & PARTNERS

Chartered Accountants

Tel. Address : "Checkchart (C)"
Cal. Office : 2237 5400/5401
: 2236 0560/4562
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BRANCH : 4th FLOOR, "SALARPURIA WINDSOR" 3 ULSOOR ROAD, BANGALORE - 560042
ALSO AT : 1008, CHIRANJIVI TOWER, 43, NEHRU PLACE, NEW DELHI -110019, TELEFAX : 2623 3894

The Board of Directors
14, Netaji Subhas Road,
2nd Floor,
Kolkata-700 001.

1. We have reviewed the accompanying statement of unaudited financial results of **RIGA SUGAR CO. LTD.** ("the Company") for the quarter ended 30th June, 2019 ("the Statement").
2. This statement has been prepared by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), which has been initialed by us for identification purposes. This Statement, which is the responsibility of the Company's management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
4. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with applicable Ind AS and other recognized accounting practices and policies and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to the following matters:
 - (a) Due to the continuous losses, the Net Worth is fully eroded which may have an effect on the entity's ability to continue as a going concern (Refer Note No. 8)
 - (b) The company has defaulted in repayment of Bank Loans (Refer Note No. 7)

For Salarpuria & Partners
Chartered Accountants

(Firm ICAI Regd. No.302113E)
Nihar Ranjan Nayak

N. R. Nayak.
Chartered Accountant
Membership No.-57076
Partner

UDIN : 19057076AAAABX9163

Place : Kolkata

Date : 14.08.2019



RIGA SUGAR CO. LTD.
CIN : L15421WB1980PLC032970
Registered Office : 14, Netaji Subhas Road, 2nd Floor, Kolkata - 700 001
Phone: 033-22313414 Fax: 033-22303663
Website: <http://www.rigasugar.com> Email: sprasad@rigasugar.in

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2019

Statement of unaudited financial results for the quarter ended 30.06.2019

(Rupees in Lacs except per share figures)					
Sl. No.	Particulars	3 months ended 30.06.2019	Corresponding 3 months ended 30.06.2018	Preceding 3 months ended 31.03.2019	Previous year ended 31.03.2019
		(Unaudited)	(Unaudited)	(Audited)	(Audited)
1	Revenue				
	a) Revenue from Operations	5,221.26	3,321.10	4,479.12	15,487.31
	b) Other Income	128.52	22.10	293.62	503.22
	Total Revenue (a+b)	5,349.78	3,343.20	4,772.74	15,990.53
2	Expenses				
	(a) Cost of materials consumed	3,487.94	835.88	7,933.01	9,851.67
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	701.57	3,516.02	(5,407.19)	5,285.08
	(c) Employee benefits expense	328.75	125.58	982.91	1,600.91
	(d) Finance Costs	463.29	466.67	408.23	1,963.44
	(e) Depreciation and Amortisation expense	127.00	117.11	137.55	490.55
	(f) Other expenses	235.60	111.02	954.87	1,442.00
3	Total expenses	5,344.16	5,172.27	5,009.38	20,633.65
4	Profit / (Loss) before Exceptional Items & Tax (1-3)	5.62	(1,829.07)	(236.64)	(4,643.12)
5	Exceptional items		-	-	-
6	Profit / (Loss) before tax (4-5)	5.62	(1,829.07)	(236.64)	(4,643.12)
	Tax Expense/(benefit)				
	a) Current tax including tax relating to earlier years	-	-	-	-
	b) Deferred tax charge/(credit)	-	-	-	-
7	Net tax expense/(benefit)	-	-	-	-
8	Net Profit/(loss) after tax (6-7)	5.62	(1,829.07)	(236.64)	(4,643.12)
9	Other Comprehensive Income				
	A.Items that will not be reclassified to profit or loss	(2.96)	14.88	(36.92)	(1.66)
	B. Items that will be reclassified to profit or loss	-	-	-	-
	Total other comprehensive income	(2.96)	14.88	(36.92)	(1.66)
10	Total comprehensive Income for the period	2.66	(1,814.19)	(273.56)	(4,644.78)
11	Paid-up equity share capital (Face Value of Rs.10/- per share)	1,444.34	1,444.34	1,444.34	1,444.34
12	Earnings per share (of Rs.10/- each) (not annualised) :				
	- Basic & Diluted (Rs.)	0.04	(12.66)	(1.64)	(32.15)



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SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2019

(Rupees in Lacs except figures of EPS)					
Sl. No.	Particulars	3 months ended 30.06.2019	Corresponding 3 months ended 30.06.2018	Preceding 3 months ended 31.03.2019	Previous year ended 31.03.2019
		(Unaudited)	(Unaudited)	(Audited)	(Audited)
1	SEGMENT REVENUE				
	A) Sugar Unit	4,321.64	2,257.37	3,872.34	12,752.12
	B) Distillery Unit	899.62	1,063.73	1,289.90	3,418.31
	Less: Inter Segment Sales				(683.11)
	Net Sales/ Income from Operations	5,221.26	3,321.10	5,162.24	15,487.32
2	SEGMENT PROFIT/(LOSS) BEFORE TAX & FINANCE COST				
	A) Sugar Unit	(161.03)	(1,688.88)	(189.31)	(3,685.99)
	B) Distillery Unit	629.95	326.48	360.90	1,006.31
	Sub-Total (A+B)	468.92	(1,362.40)	171.59	(2,679.68)
	Less:				
	A) Finance Cost	463.29	466.67	408.23	1,963.44
	B) Other un-allocable expenditure net of unallocable income	-	-	-	(1.66)
	Operating Profit Before Tax	5.62	(1,829.07)	(236.64)	(4,644.78)
3	CAPITAL EMPLOYED				
	Segment Assets				
	A) Sugar Unit	24,115.89	24,854.11	16,995.22	16,995.22
	B) Distillery Unit	5,485.17	13,471.23	13,206.42	13,206.42
	C) Unallocable	935.52	935.52	935.52	935.52
	Sub-Total	30,536.57	39,260.86	31,137.16	31,137.15
	Segment Liability				
	A) Sugar Unit	22,535.24	20,043.11	27,455.67	27,455.67
	B) Distillery Unit	1,191.00	859.66	978.53	978.53
	C) Unallocable	-	-	-	-
	Sub-Total	23,726.24	20,902.77	28,434.21	28,434.21



Notes to the Financial Results:

- (1) The crushing season for 2018-19 was extended till 6th May, 2019 against 4th April last year. Due to the extreme hot weather in the months of April and May, the recovery of sugar was abysmally low & below 6% during the quarter. The labour problems and strike during season period also contributed to adverse working and loss of recovery of sugar and thus resulting higher cost of production.
- (2) The state government had promised to compensate for the loss due to the extended running period of sugar factory during the scorching summer heat and the company has also made a claim against the same. However, company is awaiting the release of compensation from state government.
- (3) Pursuant to Resolution passed by the Sugarcane Department of the Government of Bihar for providing financial assistance to sugar factories to offset the cost of sugarcane crushed for the sugar season 2018-19, Rs.152 Lacs has been adjusted against cost of raw materials.
- (4) Pursuant to the notification issued by the central government notifying the scheme of financial assistance to sugar factory for the season 2018-19, the company is entitled to a cane price subsidy of Rs. 169 Lacs, subject to fulfillment of conditions. If disbursed, the cost of raw material will reduce to that extent in the year of disbursement.
- (5) The sale price of sugar was lower than cost of production. The central government fixed minimum floor price of sugar at Rs. 29 per kg which was subsequently increased to Rs.31 per kg. However the cost of production of sugar on all India basis was much higher and industry demanded floor price of Rs. 35-36 per kg which was not accepted by the government, which resulted in a loss on realizations. The parity between cane price and sugar price is yet to be established.
- (6) The Distillery Segment of the company runs for higher number of days. With better margin coupled with improved sale price of ethanol and also lower cost of molasses procurement from other sugar factories, the working of distillery was better than last year. With the installation of CPU, its working is expected to improve further.
- (7) Since the entire bank loans of the company had become an NPA in the previous year, the bankers allowed holding on operation which is still going on.
- (8) Due to continuous losses, the Net worth of the company is fully eroded which may have an effect on the entity's ability to continue as a going concern. However, the Management is still hopeful that with financial restructuring by the banks and financial assistance from the state and central government, the company can still revive.
- (9) Since the last few years, the company is facing natural calamities one after another. The Phalin cyclone in October 2013, the Hudhud in October 2014 stranded the growth of sugarcane as well as reduced the sugar recovery considerably. Again, the company faced devastating earthquake in April 2015 and May 2015 and lost crores of rupees. The State Government had given assurance to assist and had also visited the area, but, no compensation was granted. In August 2017, heavy flood also caused huge damage to the plant and sugarcane stock.
- (10) The company has made request for the following support from the Central and the State government. If provided, the company can be revived and it can come out of NPA:-

CENTRAL GOVERNMENT

- (a) Soft Loan from Bank as per the Central Government scheme for companies which have become an NPA, by waiving the prerequisite of State Guarantee.



- (b) The central government to delink prior export obligation with cane price subsidy release and pay to the farmer the subsidy amount of Rs.13.88 per qtl. directly.
- (c) As a help to the weak and NPA sugar factories and also sugar factories whose recovery is lower than 9.5%, a higher allocation of Buffer Stock shall be assured.
- (d) SDF Loan Restructuring – The company became a totally weak and Sick Sugar Undertaking and has become an NPA from 30th September, 2018. As per SDF Rules our company is eligible for restructuring of the Loan by way of :-
 - (a) extension of repayment period;
 - (b) waiving of all penal and additional interest;
 - (c) providing loan for clearance of cane price arrears to farmers;
 - (d) loan for plant rejuvenation and balancing ;
 - (e) for cane development loan; and
 - (f) loan for Ethanol and Power Plant
- (e) Ethanol Loan as per Central government scheme company.

STATE GOVERNMENT OF BIHAR

- (a) Soft Loan of Rs.40 Cr. at 4% rate for 10 years for payment of Cane price arrears
 - (b) For the purpose of getting Soft Loan from Bank of Rs.11 Cr. as per the Central Government Scheme, the company requires Guarantee from the State Government as we are an NPA Account.
 - (c) Help farmers directly for procurement of High Yield Variety of cane seed of CO 238 for 2 years.
 - (d) Compensation towards running sugar plant in scorching heat of April and May as per direction of the state government in the interest of farmers in season 2018-19 and consequent loss by way of extremely lower recovery estimated at Rs. 12.50 Cr.
- (11) The company is not a Large Corporate as per the applicability criteria given under the SEBI circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018.
- (12) Sugar being a seasonal industry, the performance of the Company varies from quarter to Quarter.
- (13) The figures of previous period/ year have been regrouped/ reclassified wherever necessary to make them comparable with those of the current period / year.
- (14) The above Standalone audited financial results were reviewed by the Audit Committee and thereafter, the Board of Directors approved the above results and were taken on record at their meeting on 14th August, 2019.

For and on behalf of Board of Directors

For Riga Sugar Co. Ltd.

(O.P. Dhanuka)

CMD

DIN: 00049947

Place: Kolkata

Date: 14th August, 2019

