



# 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 : riga@vsnl.net, Website : www.rigasugar.com

CIN-L15421WB1980PLC032970

14.02.2020

BSE Ltd.  
25<sup>th</sup> 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 14<sup>th</sup> February, 2020 have approved the Un-audited Quarterly Financial Results alongwith Limited Review Report of statutory auditors of the Company for the period ended 31<sup>st</sup> December, 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.

  
( B.K.BHARTIA )  
Company Secretary

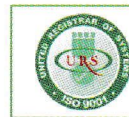
Encl: As above



**FACTORY :** Dhanuka Gram, P.O. RIGA-843327,  
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URS is a member of Register of Standards (Holdings) Ltd.

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# SALARPURIA & PARTNERS

Chartered Accountants

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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 COMPANY LIMITED** ("the Company") for the quarter and nine months ended 31<sup>st</sup> December, 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 Regn. No.302113E)

Nihar Ranjan Nayak

N. R. Nayak

Chartered Accountant  
Membership No.-57076  
Partner

UDIN : 20057076AAAAA9951

Place : Kolkata

Date : 14.02.2020





**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](mailto:sprasad@rigasugar.in)**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2019**

Sl. No.	PARTICULARS	QUARTER ENDED			NINE MONTHS ENDED		YEAR ENDED
		31.12.2019 (UNAUDITED)	30.09.2019 (UNAUDITED)	31.12.2018 (UNAUDITED)	31.12.2019 (UNAUDITED)	31.12.2018 (UNAUDITED)	31.03.2019 (AUDITED)
1	<b>Income From Operations</b>						
	Gross Sales/Income From Operations	3,603.99	2,486.39	4,381.84	10,999.70	11,008.19	15,487.31
	<b>(i) Total income from operations</b>	<b>3,603.99</b>	<b>2,486.39</b>	<b>4,381.84</b>	<b>10,999.70</b>	<b>11,008.19</b>	<b>15,487.31</b>
	(ii) Other Income	19.55	43.35	132.78	191.42	209.60	503.22
2	<b>Total income (i+ii)</b>	<b>3,623.54</b>	<b>2,529.74</b>	<b>4,514.62</b>	<b>11,191.12</b>	<b>11,217.79</b>	<b>15,990.53</b>
3	<b>Expenses</b>						
	(a) Cost of materials consumed	858.74	5.56	1,080.53	4,040.30	1,918.66	9,851.67
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2,828.72	2,383.46	3,748.04	5,913.75	10,692.27	5,285.08
	(c) Employee benefits expense	290.13	170.65	298.44	789.53	618.00	1,600.91
	(d) Excise Duty	-	-	-	-	-	-
	(e) Finance Costs	474.62	531.29	528.15	1,469.20	1,555.21	1,963.44
	(f) Depreciation and Amortisation expense	121.87	117.65	117.01	366.52	353.00	490.55
	(g) Other expenses	303.47	140.26	205.02	679.33	487.13	1,442.00
	<b>Total expenses(3)</b>	<b>4,877.55</b>	<b>3,348.87</b>	<b>5,977.19</b>	<b>13,258.63</b>	<b>15,624.27</b>	<b>20,633.65</b>
	<b>Profit / (Loss) from ordinary activities before Prior period items, Exceptional Items, Extra-Ordinary Items &amp; Tax (2-3)</b>	<b>(1,254.01)</b>	<b>(819.13)</b>	<b>(1,462.57)</b>	<b>(2,067.51)</b>	<b>(4,406.48)</b>	<b>(4,643.12)</b>
4	<b>Exceptional items / Prior period items</b>	-	-	-	-	-	-
5	<b>Profit / (Loss) from operations before Extra-ordinary items &amp; Tax (4+/-5)</b>	<b>(1,254.01)</b>	<b>(819.13)</b>	<b>(1,462.57)</b>	<b>(2,067.51)</b>	<b>(4,406.48)</b>	<b>(4,643.12)</b>
6	<b>Extraordinary items</b>	-	-	-	-	-	-
7	<b>Net Profit / (Loss) before tax (6 + / - 7)</b>	<b>(1,254.01)</b>	<b>(819.13)</b>	<b>(1,462.57)</b>	<b>(2,067.51)</b>	<b>(4,406.48)</b>	<b>(4,643.12)</b>
8	<b>Tax Expense</b>	-	-	-	-	-	-
	Current Tax	-	-	-	-	-	-
	Deferred Tax	-	-	-	-	-	-
9	<b>Net Profit / (Loss) for the period (8 + / - 9)</b>	<b>(1,254.01)</b>	<b>(819.13)</b>	<b>(1,462.57)</b>	<b>(2,067.51)</b>	<b>(4,406.48)</b>	<b>(4,643.12)</b>
10	<b>Other Comprehensive Income, Net of income tax</b>						
	A. Items that will not be reclassified to profit or loss	29.21	(41.54)	16.89	(15.29)	35.26	(1.66)
	B. Items that will be reclassified to profit or loss	-	-	-	-	-	-
	<b>Total other comprehensive income, net of income tax</b>	<b>29.21</b>	<b>(41.54)</b>	<b>16.89</b>	<b>(15.29)</b>	<b>35.26</b>	<b>(1.66)</b>
11	<b>Total comprehensive Income for the period (10+/-11)</b>	<b>(1,224.80)</b>	<b>(860.67)</b>	<b>(1,445.68)</b>	<b>(2,082.80)</b>	<b>(4,371.22)</b>	<b>(4,644.78)</b>
12	<b>Paid-up equity share capital (Face Value of Rs.10/- per share)</b>	<b>1,444.34</b>	<b>1,444.34</b>	<b>1,444.34</b>	<b>1,444.34</b>	<b>1,444.34</b>	<b>1,444.34</b>
13	<b>Earnings per share (of Rs.10/- each) (not annualised) :</b>						
	(a) Basic	(8.68)	(5.67)	(10.13)	(14.31)	(30.51)	(32.15)
	(b) Diluted	(8.68)	(5.67)	(10.13)	(14.31)	(30.51)	(32.15)





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**SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED**  
**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2019**

Sl. No.	Particulars	QUARTER ENDED			NINE MONTHS ENDED		(Rupees in Lacs)
		31.12.2019 (UNAUDITED)	30.09.2019 (UNAUDITED)	31.12.2018 (UNAUDITED)	31.12.2019 (UNAUDITED)	31.12.2018 (UNAUDITED)	YEAR ENDED 31.03.2019 (AUDITED)
1	<b>SEGMENT REVENUE</b>						
	A) Sugar Unit	2,999.86	2,136.53	3,574.52	9,548.03	8,879.78	12,752.12
	B) Distillery Unit	661.59	349.86	807.32	1,911.07	2,128.41	3,418.31
	Less: Inter Segment Sales	(147.46)	-	-	(459.40)	-	(683.11)
	<b>Net Sales/ Income from Operations</b>	<b>3,513.99</b>	<b>2,486.39</b>	<b>4,381.84</b>	<b>10,999.70</b>	<b>11,008.19</b>	<b>15,487.31</b>
2	<b>SEGMENT PROFIT/(LOSS) BEFORE TAX &amp; FINANCE COST</b>						
	A) Sugar Unit	(805.13)	(543.30)	(1,334.81)	(1,509.46)	(3,496.68)	(3,685.99)
	B) Distillery Unit	25.72	255.47	400.38	911.14	645.41	1008.31
	<b>Sub-Total (A+B)</b>	<b>(779.40)</b>	<b>(287.84)</b>	<b>(934.43)</b>	<b>(598.31)</b>	<b>(2,851.27)</b>	<b>(2,679.68)</b>
	Less:						
	A) Finance Cost	474.62	531.29	528.15	1,469.20	1,555.21	1,963.44
	B) Other un-allocable expenditure net of unallocable income	-	-	-	-	-	(1.66)
	<b>Operating Profit Before Tax</b>	<b>(1,254.02)</b>	<b>(819.13)</b>	<b>(1,462.57)</b>	<b>(2,067.51)</b>	<b>(4,406.48)</b>	<b>(4,644.78)</b>
3	<b>CAPITAL EMPLOYED</b>						
	<b>Segment Assets</b>						
	A) Sugar Unit	19,759.40	21,904.94	21,771.59	19,759.40	21,771.59	18995.22
	B) Distillery Unit	5,262.14	5,324.08	4,204.81	5,262.14	4,204.81	13206.42
	C) Unallocable	935.52	935.52	935.52	935.52	935.52	935.52
	<b>Sub-Total</b>	<b>25,957.06</b>	<b>28,164.54</b>	<b>26,911.92</b>	<b>25,957.06</b>	<b>26,911.92</b>	<b>31,137.15</b>
	<b>Segment Liability</b>						
	A) Sugar Unit	26,342.99	27,283.57	26,220.41	26,342.99	26,220.41	27455.67
	B) Distillery Unit	1,383.76	1,425.86	4,390.47	1,383.76	4,390.47	978.53
	C) Unallocable	-	-	-	-	-	-
	<b>Sub-Total</b>	<b>27,726.75</b>	<b>28,709.43</b>	<b>30,610.88</b>	<b>27,726.75</b>	<b>30,610.88</b>	<b>28,434.21</b>





## Notes to the Financial Results:

- (1) The crushing season 2019-20 commenced from 18.12.2019, a delay start due to time consumed in completion of repairs and maintenance and completion of requisite works. However due to delayed cane price payment farmers diverted the cane. The devastating flood in July /August last year also causes damage to sugarcane and deterioration of cane quality. Due to lower cane availability the factory run at lower capacity and lower recovery.
- (2) The Distillery could not start after 15th September, 19 due to frequent rain which disturbed the operation.
- (3) 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 of Rs. 12.50 Cr. which was subsequently reduced to Rs. 7.4 Cr. However, company is awaiting the release of compensation from state government.
- (4) 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.152Lacs has been adjusted against cost of raw materials.
- (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, resulted in a loss on realizations. The parity between cane price and sugar price is yet to be established.
- (6) Miscellaneous Income includes Buffer claim subsidy of Rs.106.16 Lacs for 9 months ended 31<sup>st</sup> December, 2019.
- (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. Flood this year in July/August, 2019 also made widespread damage to cane crops.
- (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 directly.



A handwritten signature in blue ink, consisting of a stylized 'S' followed by a checkmark-like flourish.

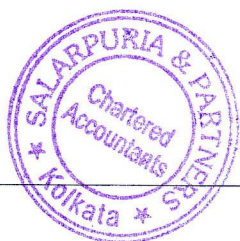


- (c) As a help to the weak and NPA sugar factories and also sugar factories whose recovery is lower than 9.5%, a higher allocation of Buffer Stock shall be assured.
- (d) SDF Loan Restructuring—The company became a totally weak and Sick Sugar Undertaking and has become an NPA from 30<sup>th</sup> September, 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 to weak sugar company like us.

The government of India scheme to extent various financial assistance to sugar industry is meant for revival of sugar industry and relief to the farmers by way of better and speedy payment of cane price. However the small, sick and marginal sugar factories are deprived of benefits of such scheme as they are not able to fulfill the terms and conditions of the scheme and thus not only such sugar factories are more suffering but also farmers. Many sugar factories where recovery are very low in Tamilnadu, Andhra Pradesh, Telengana , Bihar part of Maharastra have become sick and they need the help of all scheme of the government which they are not able to get.

#### 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.
  - (e) There is also claim from state government which they are not releasing. Rs. 156 Lacs toward Co-Gen capital subsidy, Rs. 449 Lacs toward Bihar Soft Loan Interest and Rs. 349 Lacs as excise refund.
- (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) During the quarter IFCI Ltd. have filed Recovery Suit on behalf of Sugar Development Fund (SDF) before Debt Recovery Tribunal of Rs. 1913Lacs. The company has not acknowledged debt Rs. 958 Lacs and disputed the same. The matter is sub-judice.
- (13) Sugar industry being a seasonal, the performance of the Company varies from quarter to Quarter and not comparable.



- (14) As a consistent policy off-season expenses pertaining to forthcoming season is carried forward and apportioned in relevant sugar crushing season period.
- (15) The figures of previous period/ year have been regrouped/ reclassified wherever necessary to make them comparable with those of the current period / year.
- (16) 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 14<sup>th</sup> February, 2020.

For and on behalf of Board of Directors

For Riga Sugar Co. Ltd.

(O.P. Dhanuka)

Place: KolkataCMD

Date: 14<sup>th</sup> February, 2020 DIN: 00049947

