



ANNUAL REPORT 2020 - 2021

RIGA SUGAR COMPANY LIMITED

RIGA SUGAR COMPANY LIMITED

CIN : L15421WB1980PLC032970

Annual Report : 2021

Board of Directors	:	Shri O. P. Dhanuka (DIN : 00049947) - Chairman & Managing Director Shri Dilip Datta (DIN : 00406151) Shri P. J. Bhide (DIN : 00012326) Smt. Richa Ajitsaria (DIN : 09243468)
Company Secretary	:	Shri B. K. Bhartia
Auditors	:	Salarpuria & Partners Chartered Accountants Kolkata
Bankers	:	Bank of India Union Bank of India
Registered Office	:	14, Netaji Subhas Road, 2nd Floor, Kolkata - 700 001 Phone : 2231 3414/15 E-mail : cs.rigasugar@gmail.com Website : www.rigasugar.com
Registrars & Share Transfer Agent	:	S. K. Infosolutions Pvt. Ltd. D/42, Katju Nagar Colony (Near South City Mall Ground Floor, Jadavpur Kolkata - 700 032 Phone : 2412 0029 / 27 E-mail : skcdilip@gmail.com
Shares Listed at	:	The Calcutta Stock Exchange Ltd. 7, Lyons Range Kolkata - 700 001 Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001
Legal Advisor and Solicitor	:	Khaitan & Co. Emerald House 1B, Old Post Office Street Kolkata - 700 001

DIRECTORS' REPORT

To THE SHAREHOLDERS

Your Directors have pleasure in presenting their Report and audited Accounts of the Company for the financial year ended 31st March, 2021.

FINANCIAL & OPERATIONAL RESULTS

(Rs. in Lacs)

	Financial Year 31st March, 2021	Financial Year 31st March, 2020
FINANCIAL RESULTS		
(a) Gross Turnover	7,914.16	15313.22
(b) Operating Profit Before Finance Cost & Depreciation	(1,525.38)	(407.76)
(c) Finance Cost	1,757.59	1481.02
(d) Cash Accruals	(3,282.97)	(1,888.78)
(e) Depreciation & Amortization	518.61	521.18
(f) Profit (Loss) before extraordinary items	(3801.58)	(2,409.96)
(g) Extraordinary Item of Exp./Income	-	-
(h) Profit (Loss) Before Tax	(3801.58)	(2,409.96)
(i) Provision for Tax		
- Deferred Tax	935.52	-
- Income Tax of earlier year	-	-
(j) Profit (Loss) After Tax	(4,737.10)	(2,409.96)
(k) Other comprehensive Income (net of tax)	(17.40)	(59.24)
(l) Total Comprehensive Income for the year	(4,754.50)	(2,469.20)

DIVIDEND:

In view of continuous losses company is unable to pay Dividend.

OPERATIONAL RESULTS

Sugar Unit

During the year 2020-21 there was no production in sugar factory as sugar factory could not start its production. Thus the figures for the year ended 31st March, 2021 vis -a-vis previous financial year ended 31st March, 2020 in respect of the Sugar Factory of your Company are given below:-

	Financial Year 31st March, 2021	Financial Year 31st March, 2020
1. Duration of crushing (gross days)	NIL	120
2. Cane crushed (Lac Qtls.)	NIL	33.17
3. Recovery (%)	N.A.	8.10
4. Production (Lac Qtls.) -	NIL	2.69

The sales of sugar unit decreased by 54% from Rs. 135.02 Cr to Rs. 62.48 Cr

The crushing season 2019-20 started from 18th December, 2019 and concluded on 29th February, 2020. Due to labour problems and strike during season period the recovery of sugar affected resulting higher cost of production.

Due to Labour unrest, Sugar season could not be started for the season 2020-21. The sugarcane area of the company allotted to other sugar factories. Due to Non-availability of fuel and power Distillery could not run and subsequently due to labour unrest, operation of Boiler thus Distillery could not be started. There was no production of Sugar, Molasses and Ethanol during the financial year 2020-21. So that Previous Year/Quarter Figures are not comparable.

Since 30th September, 2018 all Bank loans of the company are NPA. The bankers allowed Holding on operation subject to terms & conditions therein up to 30.09.2021.

Sugar sale price remained subdued during the year, much below cost of production of sugar.

The sale price of sugar was lower than cost of production. The central government fixed minimum floor price of sugar at Rs. 31 per kg which was announced to revise Rs.33 per kg from 1st October, 2020. 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.

Due to continuous abysmal lower recovery the sugar factory made huge lossess as mentioned below:-

	<u>Narkatiaganj</u>	<u>Sidhwalia</u>	<u>Hasanpur</u>	<u>Harinagar</u>	<u>Riga</u>	<u>Majhulia</u>	<u>Gopalganj</u>	<u>Bagaha</u>
2018-19	11.31	10.33	11.23	10.71	8.01	10.00	10.36	10.35
2019-20	11.54	10.92	11.00	11.42	8.86	9.91	10.18	11.24

Continuing Losses

During last 10 years company has incurred Loss of Rs. 164 Cr. but still made repayment of Term Loan of Rs. 79 Cr. and interest of Rs. 159 Cr., as enumerated below:-

	Rs. in Lacs										
	<u>11-12</u>	<u>12-13</u>	<u>13-14</u>	<u>14-15</u>	<u>15-16</u>	<u>16-17</u>	<u>17-18</u>	<u>18-19</u>	<u>19-20</u>	<u>20-21</u>	<u>Total</u>
Net Profit (Loss)	(524)	(350)	(272)	(1,442)	(506)	(409)	(2081)	(4,643)	(2,410)	(3801)	(16,438)
Term Loan Repayment	1,432	492	477	1,066	786	1,205	1,410	1,039	21	-	7,928
Payment of Interest	1,571	1,559	1,318	1,607	1,435	1,502	1,765	1,963	1481	1,758	15,959

Due to continuous losses for last 10 years there are cane price arrears to farmers. However the company has totally repaid the sugar cane price till season 2017-18.

Riga Sugar for last 6-7 years due to natural calamities, disparity in sugar price & cane price, closure of distillery on CPCB directions have faced tremendous problem. Cyclone Phailin in 2013, Cyclone Hud-Hud in 2014, Earthquake in 2015, Flood in 2017 and 2019 have made great loss to company. The State Government had given assurance to help and visited the area but no compensation was granted. In August 2017 and 2019 heavy flood also caused huge damage to our plant and sugarcane.

The incentive claim as declared by the State Government and other receivable from state government are still pending for long time which the Government is not releasing. The same amount could have been used for payment of cane price arrears for the season 2018-19.

Since the entire bank loans of the company had become an NPA in the year 2018-19, the bankers allowed holding on operation which is still going on.

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.

- (1) The company has made request for following support from central and state government, if provided the company can be revived:-

CENTRAL GOVERNMENT

- (a) Ethanol Loan to NPA sugar factory who has defaulted in SDF

To increase the no of days of operation of Ethanol Plant from present restricted 270 days to 330 days and consequential increase in plant capacity company have to install Incineration boiler and also install Modification System for which company has applied to Central Government for approval Project so as to avail Term Loan from Bank with interest subvention upto 6% p.a. for 5 years as per Scheme announced by the Central Government dated 15.09.2020. The same was sanction subject to payment of dues of LSPEF and SDF.

- (b) Company have been deprived from Soft Loan Scheme announced by the Central Government to Sugar Industry. In this regard the Principle Secretary, Dept. of Sugarcane Industry, Govt. of Bihar vide letter dated 8.9.2020 has recommended to Central Government for Soft Loan to Riga Sugar of Rs. 40 Cr. to pay-off the cane price arrears, which is still pending with the Central Government.

- (c) MIEQ & Cane price Subsidy by the Central Government for the season 2018-19

The central government had announced cane price subsidy for the season 2018-19 at the rate of Rs. 13.88 per qtl. However, it was linked with compulsory export obligation known as MIEQ. However, there was loss on making export of sugar which the majority of weak companies like company could not bear and thus could not pay cane price subsidy to the farmers and thus farmers are deprived of cane price subsidy. Company has demanded that central government to pay Rs. 13.88 for season 2018-19 directly to farmers without linking with prior export obligation to weak and small sugar companies.

- (d) Non-payment of 3rd and 4thqtr Buffer Stock Claim of 2018 Scheme of Rs. 123.74 Lacs and other penalty.

Buffer Stock claim for 3rd and 4th quarter as per Scheme of Buffer Stock dated 15th June, 2018 of Rs. 123.74 Lacs has been withheld because the company have not able to export sugar in 2018-19 as per MIEQ, because there was upfront loss on such export which could not bear.

For one fault of non-export which is reason beyond control, the Company is penalized by multiple ways as follow: -

- i) Not given cane price subsidy of Rs. 13.88/- per quintal on cane crush of 45.25 Lacs qtl. in 2018-19 i.e., Rs. 6.29 Cr. which could have gone to farmers directly.
- ii) Withholding of Buffer subsidy of 3rd and 4th quarter on date of Rs. 1.23 Cr, which will go to the cane price arrears.
- iii) Reduction of subsequent Buffer qty created in of 2019.
- iv) Non-eligibility of the company to avail subsidized soft loan to pay cane price arrears as per scheme dated 2nd March, 2019 to pay cane price arrears to farmers of 2018-19.

STATE GOVERNMENT

The company has made request for the following support from the State government. If provided, the company can be revived and it can come out of NPA: -

- (a) Provide company additional cane price subsidy of Rs.40 per qtl. for the season 2017-18 and additional cane price subsidy of Rs.30 per qtl. for the season 2018-19 over and above the subsidy announced for all Bihar sugar mills- This will ward-off the additional losses incurred by us on account of lower Recovery for payment of cane price to Farmers.
- (b) Provide company soft term loan of Rs. 40 crores at interest rate of 4% for period of 10 years with moratorium of 5 years, so that we can pay cane price for last season and current season. The Bank has already agreed to provide second charge on Fixed Assets of the company toward security of such loan. But no action from state government.

The aforesaid amount can be paid directly to the farmers.

- (c) Release of Bihar Soft Loan Interest subvention for the FY 2016-17 to 2020-21 Rs. 493.45 Lacs.
- (d) Reimbursement of Co-gen subsidy of Rs.156 lacs pending since last 2 years.
- (e) Help farmers directly for procurement of High Yield variety of cane seed of CO 238 for 2 years of Rs. 10 Cr.
- (f) Compensation towards running sugar plant in scorching heat of April and May, 2019 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. 7.45 Cr.

Central Government action during the year

The Central Government announced the export policy for sugar albeit delayed by three months. In spite of multiple bottlenecks like shortage of containers or lower labour availability at ports due to lockdown restrictions, the sugar export from India is expected to touch 6.8 MMT during the sugar season 2020-21 in comparison to ~5.8 MMT during last season. As a result, the carry forward stock of sugar in the country as on 30th September 2021, is expected to be around 9.5 MMT or around 4.5 months of sugar consumption.

Fair & Remunerative Price (FRP) of sugarcane for the sugar season 2020-21 was revised to Rs. 285 per quintal from Rs.275 per quintal in the previous year (linked to a basic recovery of 10%).

The pricing methodology for ethanol remained unchanged. Ethanol prices are announced annually by the Central Government based on a formula, which factored the price of sugar and FRP of sugarcane to calculate ethanol procurement prices. Ethanol prices are delinked from crude or petrol prices. Ethanol prices for the supply period from December 2020 to November 2021 were increased to Rs.45.69, Rs.57.61 and Rs.62.65 per BL for ethanol produced from C-heavy molasses, B-heavy molasses and direct cane juice/sugar syrup respectively compared to Rs.43.75, Rs.54.27 and Rs.59.48 per BL in the previous period.

Minimum Selling Price (MSP) of sugar was first fixed at Rs.29 per kg in June 2018 and later increased to Rs.31 per kg in February 2019. MSP is the ex-factory price (excluding GST and transportation charges) below which no mill can sell sugar in India. Owing to India becoming a surplus sugar producer, the MSP environment is expected to continue. The Group of Ministers' recommendation to revise the MSP from Rs.31 to Rs.33 per kg is awaiting Cabinet approval for long time.

Stock holding limits on mills in the form of maximum monthly sale quotas continued.

The export of 60 Lacs MT of sugar from India, with WTO-compliant financial assistance, was announced.

A higher customs duty continues against the import of sugar. A zero customs duty also continues for the export of sugar.

The Central Government announced differential and attractive prices for ethanol generated from damaged/surplus food grains. Soft loans are encouraged through banks for commissioning new distillery capacities or augmentation of existing capacities, which could facilitate higher ethanol production and reduce the sugar surplus through the diversion of B-heavy molasses and direct cane juice/sugar syrup away from sugar to ethanol.

The Department of Food & Public Distribution, Government of India, constituted a working committee to look into the aspect of sugar cane price rationalisation and other matters to present a long-term sustainable solution for the entire sugar eco-system after due consultation.

For long-term solution, further proactive steps are required to be taken again on priority basis in order to protect the interest of various stakeholders:

- Most of the sugar producing countries in the world including some of the largest viz. Brazil, Thailand, Australia and USA follow the Revenue Sharing Formula (RSF) to pay cane price to farmers. India should also follow the same so as to achieve its competitiveness on the global front.

- Dr. Rangarajan committee as well as Niti Ayog have recommended the concept of joint implementation of FRP, RSF and PSF (Price Stabilization Fund) as a permanent long term solution for the sector; otherwise the sector would continue to require Government support. Once the above formula is in place, miller's liability for cane price to be limited to the amount arrived at as per RSF, farmers will continue to get FRP and the difference between the FRP and the RSF to be paid from PSF. PSF has to be on a self-financing mechanism. State Advised Price (SAP) to be done away with. Cane price to be allowed to be paid in instalments across the country so as to ease the pressure on the working capital requirements of the sugar mills which will also support the sugar prices.

The All India sugar price and sugarcane price announced by Central Government as per FRP for last 9 years are depicted below:-

<u>Year</u>	<u>Sugar Price</u>	<u>Price Sugarcane Price (FRP)</u>
2011-12	2,951	145.00
2012-13	3,148	170.00
2013-14	2,917	210.00
2014-15	2,492	220.00
2015-16	3,121	230.00
2016-17	3,620	230.00
2017-18	3,136	255.00
2018-19	3,050	275.00
2019-20	3,300	275.00
2020-21	3,300	285.00

The sugar price during last 10 years increased by 12%, whereas the sugarcane price increased by 97%.

Distillery Unit	Financial Year 31st March, 2021	Financial Year 31st March, 2020
1. Production of Ethanol from Molasses (Lac BL)	NIL	77.80
2. Supply of Ethanol (Lac BL)	25.98	58.73

There was no production during the year in Distillery.

Co-Gen of Power

During the year due to non-operation of sugar season there was no co-gen.

Bio-Compost Fertiliser

The company is using distillery effluent and press mud from sugar and other agricultural waste to produce bio-compost which is very cost efficient. Thus the company apart from treatment of effluent and zero discharge adding value. The company got Registration of Bio-compost under Fertiliser Control Order, 1985 with Ministry of Agriculture as per requirement of CPCB.

SEGMENT-WISE PERFORMANCE:

During the reporting period sugar segment contributed 85 percent of net sales of the company whereas Distillery accounted for 15 percent. The company identified two business segments in line with the Accounting Standard on Segment Reporting, Segment-wise Revenue, Results and Capital Employed as stated in Note No.25 (5) of financial statement enclosed with the Annual Report.

Significant changes in key financial ratio:

- i) Interest Coverage Ratio deteriorated from (0.28) to (0.87) due to increased operating loss. .
- ii) Current Ratio deteriorated from 0.32 to 0.04 due to further increase in loss during the year and consequent depletion in Current Asset.
- iii) Debt Equity Ratio: the total Debt of the company vis-à-vis shareholder fund are negative both years.
- iv) The Operating Profit Margin Percentage was negative both year which was (24.16) in 2020-21 and (5.91) in 2019-20 due to no operation of plant and consequent loss.
- v) Net Profit Margin was negative in both year (56.00%) in 2020-21 and (15.34%) in 2019-20. This deterioration was due to loss because of no operation of plant.
- vi) For both years both Net Worth and Return was negative and thus nothing to comment.

INDUSTRY STRUCTURE & POLICY**Structure**

Sugar Industry, is seasonal in nature and directly dependent on monsoon for availability of adequate sugar cane. India is the largest consumer and second largest producer of sugar in the world, contributing over 15 percent of the world's sugar production through over 600 sugar factories situated in different parts of the country. The sugar Industry is the largest agro based industry in India. This industry also provides valuable by-products like bagasse, molasses and press mud. The availability of these by-products led to setting up of Alcohol/Ethanol/co-generation of Power and Organic Manure plants. Over 5 Crore farmers, large number of agricultural labourer are involved in sugarcane cultivation and its harvesting operations. The growth of sugar industry has a powerful impact on the rural economy. Integrated Sugar Industry (comprising sugar, molasses, alcohol, power and bio-fertilizer) enjoys annual turnover of over Rs.1,00,000 Crore and contribute about Rs.5,000 crore to the Central Government Exchequer by way of GST beside state taxes on sugarcane and hefty taxes collected by state as excise and VAT on sale of spirit in the state which run an estimated Rs. 10,000 crores annually. The Income tax also contributes to the government coffer. Industry accelerates rural development through farm employment as well as business opportunities in transport and communication.

Sugar has been declared as an 'essential commodity' under the Essential Commodities Act, 1955. Under Sugarcane (Control) Order, 1966, the Government of India fixes cane price called Fair and Remunerative Price (FRP) for sugarcane every year based on the recommendations of the Commission on Agricultural Costs & Prices. However many state government fixes higher cane price for the sugar factories in their state. In Bihar there is no statutory provision of State Advised Price, but actual cane price is fixed in consultation with the state. CACP gives recommendation of cane price, but government do not implement due to political consideration. Since last few year Central government is also fixing floor price of sugar below which no sugar factory sale sugar. This is check the free fall of sugar price. However floor price is lower than cost of production.

Sugar Cycle

The Indian sugar industry is characterized by cycle of high and low sugar production. This cycle of 3-4 years is broadly of two types viz. Natural comprising climatic variation, water availability and pest attacks. The other is induced cyclicity which have sequence like -- higher sugar production and accumulation of stock -- decline in sugar prices & profitability -- higher sugarcane arrears -- decline in area under cultivation & Lower cane production -- lower sugar production -- lower sugar availability and stock and thus increase in sugar prices --- improved profitability & low cane arrears -- higher cane production -- higher sugar production and so on. Every time the cyclicity reaches its low government have to step in to provide Fiscal support in the form of Export subsidy, Buffer Stock creation, Interest Free Loans etc. For last few years the Central Government is aggressively promoting Ethanol production and thus allowing B-Heavy Molassess and syrup for production of Ethanol whose price is quite attractive. This has led to diversion of excess sugarcane toward production of Ethanol and thus the famous sugar cycle is breaking its trend for last few years.

The fundamental problem of the Indian Sugar Industry is that there is no parity between the price of raw material i.e. sugarcane and its finished goods of sugar i.e. Illogical intervention of state government cause wide economical distortion in sugar industry. In almost all major sugar producing countries of the world the price of cane paid to the farmers depends on realization from sugar.

Rangrajan Committee Report-Linkage of Raw Material Costs and Sugar Realization

The main recommendation of Rangrajan Committee report of the year 2012 regarding linkage of cane price with sugar price and its by products has not been implemented so far. The committee has suggested for revenue sharing model under which 70% of sugar value and each of its major three by-products would be paid to farmers. Rangrajan Committee has indicated a derived cane price formula. It indicates that cane price will not be an absolute but linked to another variable. Cane price will be linked to the price of sugar in the market place. The higher the sugar realizations, the greater will be the cane price. This is an internationally tested model. This ensures that any increase in sectors profitability is equitably shared between its manufactures and growers. The cane grower will not be treated outsider, but as partner of entire value chain. The Rangrajan committee has gone a step further in this proposed linkage; it has proposed a sharing percentage at a level higher than what is practiced abroad, which more than secures the interest of farmers.

Fixation of cane price at high level than the market price of sugar should be made illegal. Various committees and high-level committee like Rangrajan have said so. According to Rangrajan Committee, "A sugar unit without any by-products' business will have to pay cane price of 70% of its revenue realisation, while it will have to spend 30% on its functioning. On the other hand, a sugar factory with by-products business will have to pay cane price of 75% of its revenue realization from sugar. The cane price to be fixed taking into account this formula."

Pollution Control- Zero Discharge Company

The Sugar and Distillery factories of the company are Zero Discharge Plants as per norms of Central Pollution Control Board and Ministry of Forest and Environment. The company treat the entire solid waste generated from Sugar factory which is generated in the form of Press-mud and liquid generated from Distillery in the form of spent wash for production of Bio-Compost. For this the company has set-up Digesters, MEE, RO, Lagoon and Bio-compost facilities on more than 17 Acres of Land. The Digesters is capable of generating bio-gas which is replacement of fossil fuel. The Bio-compost produced is rich in all organic nutrients required for fertility of the land. The said bio-compost is sold to farmers who supply sugarcane to company and also to other farmers and even used in Tea Gardens of Assam and Darjeeling.

The company is not only zero discharge company, but is also generating economic value from such waste products and rejuvenating the farm land through use of organic fertilizer.

As per revised norms of CPCB, Distillery of the company has also installed CPU. Now to increase number of permitted days of Distillery operation from present 270 days to 330 days CPCB has prescribed installation of Incineration. Due to financial constraints company has not been able to install the same. However the Central government has notified scheme for interest subvention Loan from the Bank for financing of Incineration. The company has applied for such subsidized loan and has been granted in-principle approval of Loan of Rs.30 Cr. from central government subject to payment of dues of LSPEF and SDF.

OPPORTUNITIES AND THREATS

OPPORTUNITIES

Sugar

India is largest consumer and second largest producer of sugar in the world. Major consumers are manufacturer of cold drink, Biscuits, Confectioneries and Halwais which constitute 70% of total consumption and rest 30% by ordinary consumer. There are huge scope for further increase in demand as India is still lagging behind from many advanced countries in respect of per capita consumption of sugar. Thus there are opportunity in production and consumption of higher quantity of sugar in coming period.

Distillery

The mandatory provision of ethanol blending of 10% have strong support for growth of sugar industry. Ethanol production improves oil security and contributes to environmental protection. The Government has announced its policy decision and set aim to increase the ethanol mixing with petrol at 20% by the year 2025 which was earlier 2025 and also mixing with Diesel. The Government of India has announced package for financing of Ethanol Production Capacity including new Ethanol plant and expansion including financing of Pollution Control Equipment. The remunerative price of Ethanol from B Heavy and Syrup is leading to setting up of Ethanol Plant. Thus coming years the Ethanol is going to be major driver for growth of sugar industry in the country.

Power

Sugar Industry offer immense scope for renewal energy project on co-generation basis, which provide clean energy. Due to this the increased demand of surplus bagasse has added imputes to revenue generation. The Tariff policy for co-gen renewal power is also lucrative in comparison to conventional power based on fusel fuel. At present sugar industry in India is producing about 4000 MW of surplus power and supplying to grid. However there is potential of 8000 MW co-gen surplus power with the sugar industry.

Bio-Compost Fertiliser

The bio-compost fertilizer being produced by the company has got immense scope of demand in all major agriculture cultivation as it not only preserve the soil from excessive use of chemical fertilizer but also increase its fertility.

THREATS

- No linkage of Sugar Price with cane price
- Unreasonable high cane price in comparison to sugar selling price.
- The sugar sector is exposed to political intervention cyclical downtrend.
- Natural Calamity.

FUTURE PROSPECTS/OUTLOOK

Industry scenario and outlook

India began the sugar season 2020-21 (October to September) with an opening inventory of around 10.7 MMT (Metric Million Tonnes). Sugar production for the current season is estimated at 30.8 MMT, around 4.4 MMT higher than the previous season's production of 27.4 MMT. In spite of the Covid-19 situation, which necessitated frequent lockdowns, the domestic demand for sugar is expected to be around 26.0 MMT compared to 25.3 MMT in the previous season.

The by-products of Power and Ethanol support the sugar industry to some extent. The proactive policy of the central government to promote the production capacity of Ethanol will have far reaching positive impact on sugar industry.

Ethanol sector in India A steady rise in ethanol blending is not only likely to moderate crude oil import, saving precious foreign exchange reserves, but also encourage the use of additional cane juice and other raw materials efficiently while protecting the environment from the release of poisonous vehicular exhaust gas. The new National Biofuel Policy 2018 has fixed a target of achieving 20% ethanol blending with petrol by 2025 with the government targeting to achieve the 10% milestone of ethanol blending with petrol by 2022.

Committee of the Board

The details of composition of Audit Committee and other committees of the Board of Directors alongwith the attendance thereof is provided in the Corporate Governance Report forming part hereof.

Audit Committee

The composition and attendance at the audit committee meeting are as follow:-

<u>Name of Members</u>	<u>Status</u>	<u>Date of joining during the year</u>	<u>Date of leaving during the year</u>
Mr. P.J.Bhide (Chairman)	Independent & Non-Executive	-	-
Mrs. Sulekha Dutta	-do-	-	-
Mr. Dilip Datta	-do-	-	-
Mr.N.K.Parasramka	Non Independent & Non Executive	-	-

Four meetings of Audit Committee held during the year on 26.08.2020, 15.09.2020, 13.11.2020 and 11.02.2021.

Information pursuant to Section 134 of the Companies Act, 2013

- Extract of the annual return as provided under Section 92(3) of Companies Act, 2013 is enclosed -Annexure I
- Eight meetings of the Board of Directors of the Company were held during the year on 11.06.2020, 23.06.2020, 17.08.2020, 26.08.2020, 15.09.2020, 13.11.2020, 26.11.2020 and 11.02.2021.
- All the Independent Directors of the company have furnished declarations that they satisfy the requirement of Section 149 (6) of the Companies Act, 2013.
- Relevant extracts of the Company's policy on directors appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided in section 178(3) of Companies Act, 2013 is enclosed - Annexure II. We affirm that the remuneration paid to the Directors is as per terms laid out in the Nomination and Remuneration Policy of the company.
- In the Auditors Report dated 23.06.2021, the Auditors have given Qualified Opinion in relation to the Financial Statements of the Company for the Financial Year ended 31 March 2021. The basis for qualified opinion and Board's response in relation to the said opinion are as under:-

Audit Qualification	Board's Response
Due to the continuous Losses, Company's Net Worth has been fully eroded. The Company has also defaulted in repayment of Borrowings to the banks and others. In view of the uncertainties involved, these events and conditions indicate a material uncertainty which may cast a significant doubt on the Company's ability to continue as a Going Concern.	The Company would be able to continue as a Going Concern with financial restructuring by the banks and financial assistance from the state and central government. The encouragement being given by the government toward augmentation of ethanol production by way of allowing ethanol production from B heavy molasses, Direct Juice and food grains and interest subvention loan for expansion, setting up and zero discharge equipment for Ethanol. The interest subvention loan being provided by the central government for installation of zero discharge equipment like incineration will help the company to remove the production bottleneck in distillery, increase in capacity and production and also improvement in overall profitability. The company has already been given in-principle approval of Term Loan under interest subvention from Banks for Ethanol by central government subject to fulfilment of terms and conditions.

- There has been no materially-significant related party transactions made by the company with the promoters, the directors, the Key Managerial Personnel which may be in conflict with the interest of the company at large. The company has formulated a policy on Related Party Transactions and also on dealing with Related Party Transactions. The policy is disclosed on the website of the company (www.rigasugar.com). All related party transactions as placed before the Audit Committee has also received approval from the Board. Your Directors draw attention of the members the Note No. 25(16)(B) to the financial statement which set out Related Party Disclosures.
- Details of conservation of energy, technology absorption, foreign exchange earnings and outgo as prescribed vide Rule 8(3) of Companies (Accounts) Rules 2014 is enclosed - Annexure III

- h. The company has laid down policy on risk assessment and minimization procedures and the same is periodically reviewed by the Board. The Policy facilitates in identification of risk at appropriate time and ensure necessary steps to be taken to mitigate the risk. Brief details of risks and concerns are given in this Board Report.
- i. The corporate Social Responsibility Committee has formulated and recommended to the Board a Corporate Social Responsibility Policy (CSR Policy) indicating the activities of the company. The Annual Report on CSR activities is not annexed herewith due to non- applicability of relevant provisions to the company due to losses.
- j. In compliance with the Companies Act, 2013 and Regulation 17 of the Listing Regulations, during the year the Board adopted a mechanism for evaluating its performance as well as that of its Committee and Individual directors, including the Chairman of the Board.

The evaluation of Independent Director was carried out by the entire Board and that of the chairman and Non-Independent directors were carried out by the Independent directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its committee with the company.

RISK AND CONCERN

SUGAR

- (a) Delay in evolving a rational Sugarcane Pricing Policy having link with sugar price is detrimental to growth of the industry.
- (b) The output of sugar, an agro-based product, is influenced by climatic vagaries.
- (c) Sugar Industry being cyclic in nature, the growth is hampered during downtrend.

DISTILLERY

High cost of molasses due to greater demand is matter of concern for Ethanol Blending Programme.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Company has adequate systems and internal control procedures to safeguard the assets of the company and to ensure maintenance of proper accounting records. There is also an Internal Audit System in place which reviews the key business and controls and also test checks on routine transactions and reports deviations. Besides, an Audit Committee periodically reviews the functioning of the entire system.

CREDIT RATING

Not applicable since from 30.09.2018 the company became NPA and continue to be NPA so far and working under holding on operation.

EMPLOYEE STOCK OPTION SCHEME

There are no outstanding stock options and no stock options were either issued or allotted During the year.

INTER CORPORATE LOANS AND INVESTMENTS

Company has not made loans, guarantees and investments covered under the provisions of Section 186 of the Act.

FIXED DEPOSITS:

The company has neither accepted nor renewed any deposit from public within the meaning of section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014 during the year under the review.

AUDITORS

(a) Statutory Auditors

Pursuant to the applicable provisions of the Act, the members of the Company at their AGM held on 18th September, 2017, appointed M/s. Co M/s. Salarpuria & Partners., Chartered Accountants (ICAI Registration No. 302113E), Kolkata, as the Statutory Auditors of the Company to hold office from the conclusion of the 36th AGM until the conclusion of the 41st AGM. The reports given by the Auditors, M/s. Salarpuria & Partners., Chartered Accountants on the financial statements of the Company for the year ended 31st March, 2021 form part of this Annual Report and there is qualification and reservation and adverse remark given by the Auditors in their Reports which has been explained hereinabove. The Auditors of the Company have not reported any fraud in terms of the second proviso to Section 143(12) of the Act.

(b) Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its Sugar activity is required to be audited. Your Directors have, on the recommendation of the Audit Committee, appointed M/s. Mani & Co., Cost Accountants (Firm

Registration No 000004) as the Cost Auditor to audit the cost accounts of the Company for the financial year 2021-22. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification.

(c) Secretarial Auditor and Secretarial Audit Report

In pursuance of section 204 of the Companies Act, 2013 Mr. Rajan Singh, Company Secretary appointed as secretarial Auditors to carry out Secretarial Audit for the financial year 2020-21 Their report is annexed to this report as Annexure-IV. The contents of the said Audit Report are self explanatory and do not call for any further comments by the Board. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

DIRECTORS:

The Board of the Company has an appropriate mix of Executive and Independent Directors to maintain the independence of the Board, and separate its functions of governance and Management. As on 31st March, 2021, the Board consists of 5 members, one of whom was executive director, one non-executive non-independent director and three were independent directors consisting of one lady director.

The Board periodically evaluates the need for change in its composition and size.

The Members of the Company at the 35th Annual General Meeting ('AGM') held on 30th September, 2016 approved the appointment of Mr. Dilip Datta (DIN: 00406151) as an Independent Director of the Company for a period of five years with effect from 30th September, 2016. Mr Dilip Datta will complete his first term on 29th September, 2021. On the recommendation of the Nomination & Remuneration Committee the Board of Directors of the Company ('the Board') at the meeting held on 23rd June, 2021 appointed Mr Dilip Datta as Additional Director in the Capacity of Independent Director of the company with effect from 30th September, 2021 subject to approval of the shareholders in the ensuing Annual General Meeting.

Consent of the Members by way of Special Resolution is required for appointment of Mr. Dilip Datta in terms of Section 149 of the Act and Regulation 17 of the Listing Regulations. Notice under Section 160 of the Act proposing the re-appointment of Mr. Dilip Datta has been received by the Company, and consent has been filed by Mr. Dilip Datta pursuant to Section 152 of the Act.

As Mr. Dilip Datta has attained the age of 75 years on 7th September, 2020 approval of Shareholders by way of Special Resolution was taken in last Annual General Meeting held on 30th December, 2020 for his continuance as Independent Director for his first term

Again for his re-appointment as Independent Director for 2nd term, the Board of Directors in their meeting held on 23rd June, 2021 made recommendation subject to approval of the shareholders by way of special resolution in the ensuing Annual General Meeting.

Further pursuant to the provisions of Section 149 of the Companies Act, 2013, and Rules made thereunder, members approval by way of Special Resolution is sought at the ensuing Annual General Meeting for re-appointment of Mr. Dilip Datta as Independent Directors till 45th Annual General Meeting or 30th September, 2026 whichever is earlier.

The Company has received declaration in writing from Mr. Dilip Datta that he meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, 2015.

In the opinion of the Board, Mr. Datta fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations, 2015, for his re- appointment as an Independent Director of the Company. The Board also considers that his association would be of immense benefit to the Company and it is desirable to avail his services as an Independent Director on the Board of the Company.

Considering the skills, experience, knowledge Mr. Datta possess and the report of performance evaluation of Mr. Datta, the Board recommended for the approval of shareholders by way of special Resolution.

For disclosure as per SEBI (LODR) Regulations, 2015, brief details, including qualification and expertise of directors to be appointed / re-appointed, has been mentioned in the Notice of the 40th Annual General Meeting of the company.

Mrs. Richa Ajitsaria (DIN09243468) was appointed as an Additional Director by the Board of Directors with effect from 29th July, 2021 and thus hold office till the date of ensuing annual general meeting. Based on recommendation of nomination and remuneration committee, the board recommend appointment of Mrs. Richa Ajitsaria an independent women Director in the next Annual General Meeting.

Mr. Nirmal Kumar Parasramka (DIN00086584) resigned from Directorship of the company on 05-05-2021 on personal ground. The Board record it deep appreciation for the service provided by him.

Declaration by Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Regulation 16 of the Listing Regulations. The Board of Directors confirm that the Independent Directors appointed during the year also meet the criteria of expertise, experience and integrity in terms of Rule 8 of the Companies (Accounts) Rules, 2014 (as amended).

Separate Meeting of Independent Directors

Details of the separate meeting of Independent Directors held in terms of Schedule IV of the Act and Regulation 25(3) of the Listing Regulations are given in the Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors state that:-

- (i) in preparation of the annual accounts for the year ended 31st March, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and of the loss of the company as on 31st March, 2021;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the annual accounts on 'going concern' basis;
- (v) the Directors have laid down internal financial controls to be followed by the company and such internal financial controls are adequate and are operating effectively; and
- (vi) directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

PERSONNEL:

The particulars of employee as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given as separate annexure attached hereto and forms part of this report as Annexure- V.

During the year under review, no complaint/case was filed pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

CORPORATE GOVERNANCE:

The Corporate Governance form an integral part of this Report and are set out as Annexure- VI to this Report. The certificate from the Auditors of the company certifying compliance of condition of Corporate Governance stipulated in Regulations 34(3) of the Listing Regulations is also annexed to Report on Corporate governance.

BUSINESS RESPONSIBILITY REPORT

Regulation 34(2) of the Listing Regulations, inter alia, provides that the annual reports of the top 1000 listed entities based on market capitalization (calculated as on March 31st of every financial year), shall include a Business Responsibility Report. The company do not fall under this category.

KEY MANAGERIAL PERSONNELS

In compliance of provisions of section 203 of the Companies Act, 2013 the following persons were the key managerial personnel of the company during the year:

- (i) Mr. O.P.Dhanuka, Chairman & Managing Director
- (ii) Mr. B.K.Bhartia, Company Secretary .
- (iii) Mr. J.K.Pachisia CFO,

The other details pertaining to KMP of the company, their appointment/cessation during the year under review and their remuneration have been provided in the Extract of Annual Return annexed hereto and forming part of this report.

Code of conducts and ethics

The Board of company has adopted a Code of Conducts and ethics for the Directors and Senior Executives of the company. The code is available on the company's website at www.rigasugar.com.

Significant & material orders passed by the regulators

During the year under review, no significant and materials orders were passed by the Regulators or courts or Tribunals impacting the going concern status.

Whistleblower Policy

The company has in place a whistleblower policy to deal with unethical behavior, victimizations, fraud and other grievances or concerns, if any. The Whistleblower policy can be accessed on the company's website www.rigasugar.com.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees, etc.) are covered under this policy. No sexual harassment complaints were received during the year 2020-21.

Risk Management Policy

The Company has Risk Management committee of Directors to have a system of Risk Management, inter alia, to review it periodically.

Policy for Preservation of Documents

The Policy for preservation of documents are stated in website of the company www.rigasugar.com.

Material changes and commitments affecting the financial position of the company after 31st March, 2021**Material Changes and Commitments**

Except those disclosed in this Annual Report, there are no material changes and commitments affecting the financial position of the Company between the end of the financial year i.e. 31st March, 2021 and the date of this Report. The impact of COVID 19 pandemic has not been material on the financial performance of the Company. However there was delay in compliance due to non-filing of timely return and result.

Subsidiaries, Joint Ventures or Associate Companies

There is no subsidiary, Joint Venture or Associate of the company under meaning of Companies Act, 2013.

LISTING OF EQUITY SHARES:

The Shares of the Company are listed on The Calcutta Stock Exchange Ltd. and BSE Ltd. The Company has paid Listing Fees to BSE Ltd for 2021-22.

ANNEXURES FORMING PART OF THIS REPORT OF THE DIRECTORS

The Annexure referred to in this report and other information which are required to be disclosed are annexed herewith and forms a part of this report of the Directors:-

Annexure	Particulars
I	Extract of the Annual Return as per form MGT-9
II	Policy on selection & Remuneration of Directors, Key Managerial Personnel and other employees and on Board Diversity
III	Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo
IV	Secretarial Audit Report
V	Particulars of Employees
VI	Corporate Governance Report

APPRECIATION:

Your Directors express their appreciation for the support and contribution by Cane Growers, Bankers, Central and Bihar State Government, Suppliers, Customers and the valuable services rendered by the Employees at all levels.

Kolkata,
Dated : 6th August, 2021

For and on behalf of the Board,

O. P. Dhanuka
(DIN : 00049947)
Chairman & Managing Director

Annexure - I to the Directors Report

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2021

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L15421WB1980PLC032970
2.	Registration Date	2nd September, 1980
3.	Name of the Company	Riga Sugar Company Limited
4.	Category/Sub-category of the Company	Public Company/Limited by shares
5.	Address of the Registered office & contact details	14, Netaji Subhas Road, 2nd Floor, Kolkata-700001 Phone : 033-2231 3414, E-mail : cs.rigasugar@gmail.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	S.K. Info solutions Pvt. Ltd. D/42, Katju Nagar Colony (Near South City Mall) Ground Floor, Jadavpur, Kolkata-700 032 Phone : 033 2412 0027, E-mail : skcdilip@gmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Sugar	10721-Manufacture of sugar from sugarcane	85%
2	Ethanol	1101	15%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sl. No.	Name and address of company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Application section
	NONE				

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31 March 20]				No. of Shares held at the end of the year [As on 31st March 2021]				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	1,03,677	NIL	1,03,677	0.72	-	-	-	-	-0.72
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(S)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	98,89,701	NIL	98,89,810	68.47	98,89,701	NIL	98,89,810	68.47	0
Banks / FI	NIL	NIL	NIL	N.A.	NIL	NIL	NIL	N.A.	0
f) Any other	NIL	NIL	NIL	N.A.	NIL	NIL	NIL	N.A.	0
Total shareholding of Promoter (A)	99,93,487	NIL	99,93,487	69.19	98,89,810	NIL	98,89,810	68.47	-0.72
B. Public Shareholding									
1. Institutions	NIL	NIL	NIL	N.A.	NIL	NIL	NIL	N.A.	0
a) Mutual Funds	NIL	2600	2600	0.02	NIL	2600	2600	0.02	0
b) Banks / FI	429	NIL	429	N.A.	NIL	NIL	NIL	N.A.	0
c) Central Govt	NIL	NIL	NIL	N.A.	NIL	NIL	NIL	N.A.	0
d) State Govt(s)	NIL	NIL	NIL	N.A.	NIL	NIL	NIL	N.A.	0
e) Venture Capital Funds	NIL	NIL	NIL	N.A.	NIL	NIL	NIL	N.A.	0
f) Insurance Companies	NIL	NIL	NIL	N.A.	NIL	NIL	NIL	N.A.	0
g) FIs	NIL	NIL	NIL	N.A.	NIL	0	NIL	0	0
h) Foreign Venture Capital Funds	NIL	NIL	NIL	N.A.	NIL	NIL	NIL	N.A.	0
i) Others (specify)	NIL	NIL	NIL	N.A.	NIL	NIL	NIL	N.A.	0
Sub-total (B)(1):-	429	2600	3029	0.02	NIL	2600	2600	0.02	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	10,11,060	6,600	10,17,660	7.05	9,54,406	6,600	9,61,006	6.65	-0.40
ii) Overseas	NIL	NIL	NIL	N.A.	NIL	NIL	NIL	N.A.	0
b) Individuals									

i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	23,61,941	2,19,117	25,81,058	17.87	23,02,435	2,18,817	25,21,252	17.46	-0.41
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	7,85,678	NIL	7,85,678	5.44	9,94,967	NIL	9,94,967	6.89	1.45
c) Others (specify)	NIL	NIL	NIL	N.A.	NIL	NIL	NIL	N.A.	0
(i) Non Resident Indians	62,493	NIL	62,493	0.43	73,770	NIL	73,770	0.51	0.08
(ii) Overseas Corporate Bodies	NIL	NIL	NIL	N.A.	NIL	NIL	NIL	N.A.	0
(iii) Foreign Nationals	NIL	NIL	NIL	N.A.	NIL	NIL	NIL	N.A.	0
(iv) Clearing Members	NIL	NIL	NIL	N.A.	NIL	NIL	NIL	N.A.	0
(v) Trusts	NIL	NIL	NIL	N.A.	NIL	NIL	NIL	N.A.	0
(vi) Foreign Bodies-DR	NIL	NIL	NIL	N.A.	NIL	NIL	NIL	N.A.	0
Sub-total (B)(2):-	42,21,172	2,25,717	44,46,889	30.79	43,25,578	2,25,417	45,50,995	31.51	0.72
Total Public Shareholding (B)=(B)(1)+ (B)(2)	42,21,601	2,28,317	44,49,918	30.81	43,25,578	2,28,017	45,53,595	31.53	0
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	N.A.	NIL	NIL	NIL	N.A.	0
Grand Total (A+B+C)	14215088	2,28,317	1,44,43,405	100.00	14215388	228017	14440405	100.00	0

ii. Shareholding of Promoter :

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Meera Dhanuka	45,342	0.31	0	0	0	0	0
2	Tripti Saraff	57,135	0.39	0	0	0	0	0
3	Garima Tibrawalla	1,100	0.01	0	0	0	0	0
4	Shruti Jatia	100	0.00	0	0	0	0	0
5	DG Vitta Vinimay & Properties Ltd.	70,98,484	49.15	0	70,98,484	49.15	0	0
6	The Belsund Sugar & Industries Ltd.	27,91,326	19.33	0	27,91,326	19.33	0	0
	Total	99,93,487	69.19	0	98,89,810	68.47	0	0

iii. Change in Promoters' Shareholding (Please specify, if there is no change)

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the company
	At the beginning of the year		99,93,487	69.19	
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	Meera Dhanuka (-45,342) 04-12-2020				
	Shruti Jatia (-100) 09-10-2020				
	Garima Tibrawalla (-1,100) 20-11-2020				
	Tripti Saraff (-57,135) 27-11-2020				
	At the end of the year				98,89,810 68.47

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name for each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Chitravali Barter Pvt.Ltd.				
	At the beginning of the year	3,00,000	2.08		
	As at 31.03.2021			3,00,000	2.08
2	Baldeep Singh				
	At the beginning of the year	1,44,514	1.00		
	As at 31.03.2021			1,44,514	1.00
3	Harcharan Singh Sidana				
	At the beginning of the year	1,27,101	0.88		
	11.12.2020	2,703	0.02		
	31.12.2020	5,000	0.03		
	As at 31.03.2021			1,34,804	0.93
4	Universal Cine Trade Pvt. Ltd.				
	At the beginning of the year	96,000	0.66		
	10.04.2020	20,000	0.14		
	17.04.2020	14,943	0.10		
	As at 31.03.2021			1,30,943	0.90
5.	Gayatri Dealtrade Private Ltd.				
	At the beginning of the year	1,01,853	0.70		
	As at 31.03.2021			1,01,853	0.70

6	Harinder Kour Sidana				
	At the beginning of the year	61,400	0.42		
	As at 31.03.2021			61,400	0.42
7	Raj Kumar Kudilal Seksaria				
	At the beginning of the year	90,000	0.62		
	20.03.2021	(34,001)	-0.24		
	As at 31.03.2021			55,999	0.38
8	Darshan Financial Services Pvt. Ltd.				
	At the beginning of the year	53,760	0.37		
	09.10.2020	-64	0		
	As at 31.03.2021			53,696	0.37
9	Famous Developers Pvt.Ltd.				
	At the beginning of the year	51,000	0.36	51,000	0.36
	As at 31.03.2021			51,000	0.36
10	Abhinna Vyapaar Pvt. Ltd.				
	At the beginning of the year	50,000	0.35	50,000	0.35
	As at 31.03.2021			50,000	0.35
11	Black Rose Industries Ltd.				
	At the beginning of the year	62,660	0.43		
	02.10.2020	-62,660	-0.43		
	As at 31.03.2021			0	Nil

v. Shareholding of Directors and Key Managerial Personnel :

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year		Nil		Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year		Nil		Nil

VI. INDEBTEDNESS - Indebtedness of the Company including interest outstanding / accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	9182.12	2675.00	-	11857.12
ii) Interest due but not paid	--	-	-	-
iii) Interest accrued but not due	225.01	204.41	-	429.42
Total (i+ii+iii)	9407.13	2879.41	-	12286.54
Change in Indebtedness during the financial year				
*Addition	534.79			534.79
*Reduction		1609.02		1609.02
Net Change	534.79	(1609.02)		(1074.23)
Indebtedness at the end of the financial year				
i) Principal Amount	8863.80	982.75		9846.55
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	1078.12	287.64		1365.76
Total (i+ii+iii)	9941.92	1270.39		11212.31

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager	Total Amount
		Mr. O. P. Dhanuka, CMD	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60,000/-	60,000/-
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	39,600/-	39,600/-
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	-	--
2	Stock Option	--	--
3	Sweat Equity	--	--
4	Commission - as % of profit - others, specify...	--	--
5	Others, please specify	--	--
	Total (A)	99,600/-	99,600/-
	Ceiling as per the Act	In terms of the provisions of the Companies Act, 2013, the remuneration paid is well within the limit.	

B. Remuneration to other directors :

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Dilip Kumar Datta	Mr. P. J. Bhide	Mrs. Sulekha Dutta	Mr. N. K. Parasramka	
1	Independent Directors					
	Fee for attending Board meetings	32,000/-	16,000/-	32,000/-		80,000/-
	Commission	-	--	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	32,000/-	16,000/-	32,000/-		80,000/-
2	Other Non-Executive Directors					
	Fee for attending Board meetings	---	---	---	20,000/-	80,000/-
	Commission	---	---	---		
	Others, please specify	---	---	---		
	Total (2)	---	---	---	20,000/-	20,000/-
Total (B)=(1+2)	32,000/-	16,000/-	32,000/-	20,000/-	1,00,000/-	
	Total Managerial Remuneration	32,000/-	16,000/-	32,000/-	20,000/-	1,00,000/-
	Overall Ceiling as per the Act	In terms of the provisions of the Companies Act, 2013, the remuneration paid is well within the limit.				

Note :

- Mr. O.P. Dhanuka - Managing Director of the Company, is not entitled for Director's sitting fee

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CS Mr. B. K. Bhartia	CFO Mr. J. K. Pachisia	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,80,000	5,44,800	-
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	4,80,000	5,44,800	10,24,800

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

No penalties /punishment/compounding of offences were levied under the Companies Act, 2013.

Annexure - II to the Directors Report**POLICY ON SELECTION & REMUNERATION OF DIRECTORS, KMP AND OTHER EMPLOYEES AND ON BOARD DIVERSITY.**

The objectives of this Policy include the following:

- to lay down criteria for identifying persons who are qualified to become Directors;
- to formulate criteria for determining qualification, positive attributes and independence of a Director;
- to determine the composition and level of remuneration, which is reasonable and sufficient to attract, retain and motivate Directors and KMP. ;
- to frame guidelines on the diversity of the Board;

DEFINITIONS

Unless the context requires otherwise, the following terms shall have the following meanings:

"Director" means a Director of the Company.

"Key Managerial Personnel" or "KMP" means-

- (i) the Chief Executive Officer or the Managing Director or the Manager;
- (ii) the Whole-time director;
- (iii) the Chief Financial Officer;
- (iv) the Company Secretary; and
- (v) such other officer as may be prescribed under the applicable law.

Criteria for identifying persons who are qualified to be appointed as a Director of the Company:

Section 164 of the Companies Act, 2013 ("Act") provides for the disqualifications for appointment of any person to become Director of any company. Any person who in the opinion of the Board of Directors ("Board") is not disqualified to become a Director, and in the opinion of the Board, possesses the ability, integrity and relevant expertise and experience, can be appointed as Director of the Company.

Independent Directors

For appointing any person as an Independent Director he/she should possess qualifications as mentioned in (A) the Act and the Rules made thereunder (including but not limited to Section 149 of the Act and Rule 5 of The Companies (Appointment and Qualification of Directors) Rules, 2014; and (B) the Listing Regulations.

Appointment criteria and qualifications

The Nomination & Remuneration Committee (Committee) shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director (including Independent Directors), or KMP and recommend to the Board his / her appointment. Such person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/ satisfactory for the concerned position.

Evaluation:

The Committee shall carry out evaluation of performance of every Director or KMP at regular interval and at least on a yearly basis.

Evaluation of Directors:

In terms of Section 149 of the Act read with Schedule IV of the said Act the Independent Directors shall at its separate meeting review the performance of non-independent Directors based on the parameters that are considered relevant by the Independent Directors.

The Board as a whole shall evaluate the performance of Independent Directors. During such evaluation the Director being evaluated shall be excluded from the meeting.

Evaluation of KMP and Senior Management Personnel

Criteria for evaluating performance of KMP (other than Directors) and Senior Management Personnel shall be as per the internal guidelines of the Company on performance management and development.

Criteria for evaluating performance of Other Employees

The human resources department of the Company shall evaluate the performance of Other Employees. In this regard, the human resources department shall decide upon the criteria for evaluating performance of Other Employees.

REMUNERATION OF DIRECTORS AND KMP

The remuneration/ compensation etc. to Managing Director / Whole-time Director and remuneration of KMP will be determined by the Committee and recommended to the Board for approval. Remuneration/commission to Directors (including Independent Directors) as per the statutory provisions of the Act and the rules made thereunder for the time being in force within limits approved by shareholders, shall be decided by the Board.

Increments to the existing remuneration/ compensation structure payable to Managing Director / Wholetime Directors and KMP may be recommended by the Committee to the Board which should be within the slabs if any, approved by the shareholders in the case of Directors.

Sitting Fees:

Non-Executive Directors including Independent Directors may receive remuneration by way of fees for attending meetings of Board or its committee within limits prescribed by the Central govt.

Remuneration to Senior Management Personnel:

The Committee has delegated its powers under this Policy with respect to Senior Management Personnel (other than their appointment) and other employees to the Whole time Director of the Company and the Whole-time Director shall be entitled to take decisions with respect to remuneration of Senior Management Personnel and other employees / their extension after attainment of applicable retirement age/employee welfare measure including provision of loans (with or without interest as per statutory provisions) through wage settlements or company rules/regulations or otherwise.

Remuneration to Other Employees

The human resources department of the Company with Managing Director 's approval, will determine from time to time the remuneration payable to Other Employees. The powers of the Committee in this regard have been delegated to the human resources department of the Company.

BOARD DIVERSITY

With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. The Company while appointing may consider the following criteria; i.e. appoint those persons who possess relevant experience, integrity, understanding, knowledge or other skill sets that may be considered by the Board as relevant in its absolute discretion, for the business of the Company etc. The Board shall have the optimum combination of Directors of different genders, from different areas, fields, backgrounds and skill sets as maybe deemed absolutely necessary. The Board shall have members who have accounting or related financial management expertise and are financially literate.

Annexure - III to the Directors Report

Particular of Energy Conservation , Technology Absorption and Foreign Exchange earnings and outgo required under the Companies (Accounts) Rules, 2014:

A. CONSERVATION OF ENERGY:

- (i) The Steps taken or impact on conservation of energy

Your Company continues to give priority to conservation of energy on an ongoing basis. The measures result into saving of fuel and power and consequently cost of production.

- (ii) Steps taken by the company for utilizing alternate source of energy

(a) Sugar factory runs on bagasse based steam and power and thus there is no fossil fuel consumption.

(b) The company also installed co-gen plant which is supplying surplus power to state grid.

(c) During off-season also the boiler run on bagasse, thus saving fuel.

(d) In Distillery installed new digester for treatment of spent wash feeding, which generate bio gas and reduce COD and BOD substantially.

- (iii) The Capital investment on energy conservation equipments during the year 2020-21 was Rs NIL

B. TECHNOLOGY ABSORPTION:

The company carried out the following technology absorption activities during the financial year 2020-21 :Nil, since factory could not run.

(i) The company has not imported any technology.

(ii) Expenditure incurred on Research and Development: NIL

C. FOREIGN EXCHANGE EARNING AND OUTGO:

	Financial Year 31st March, 2021	Financial Year 31st March, 2020
i) Total Foreign Exchange Earnings	Nil	Nil
ii) Used (Rs. in Lacs)	Nil	Nil

Annexure - IV to the Directors Report**FORM-MR-3
SECRETARIAL AUDIT REPORT**

(For the financial year ended 31st March, 2020)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Riga Sugar Company Limited
14, Netaji subhas Road
Kolkata- 700 001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by RIGASUGAR CO LTD [CIN: L15421WB1980PLC032970] (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion hereon.

Based on our verification of the Company's books, papers minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made there under, as applicable;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the results made there under;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- 4) Foreign Exchange Management Act, 1999 and rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; [Not applicable during the Audit Period]
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; [Not applicable during the Audit Period]
 - (d) The Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines 1999; [Not applicable during the Audit Period]
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; [Not applicable during the Audit Period]
 - (f) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; [Not applicable during the Audit Period]

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; [Not applicable during the Audit Period]
- (i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- 6) Laws specifically applicable to the industry to which the Company specifically belongs, as identified by the management, that is to say:-
 - (a) Essential Commodities Act, 1955
 - (b) Sugar Control Order, 1966
 - (c) Sugar Cess Act, 1982
 - (d) Levy Sugar Price Equalisation Fund Act, 1976
 - (e) Sugar Development Fund Act, 1982
 - (f) Food Safety and Standards Act, 2006
 - (g) The Legal Metrology Act, 2009
 - (h) Environment Protection Act, 1986

I further report that having regarded to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test- checks basis, the Company has complied with the laws applicable specifically to the Company as represented by the Management.

I have also examined compliance with the applicable clause of the following:

- 1) Secretarial Standards issued by the Institute of Company Secretaries of India,
- 2) The Listing Agreement entered into by the Company with The Calcutta Stock Exchange Ltd. The Company is generally regular in giving intimations under various clauses of the Listing Agreement,

Company was irregular in depositing the statutory dues within the time period allowed by the respective statutes.

Reliance has been put on compliance system prevailing in the company and legal compliance certificates received from various Unit heads as regards compliance of Laws specifically applicable to the industry to which the Company specifically belongs.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The change in the composition of the Board Directors that took place during the period under review was carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meeting, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, mentioned herein above. I further report that the accumulated losses of the Company have eroded the entire net worth of the Company indicating the uncertainty about the Company's ability to continue on a going concern basis. I further report that the accounts of the Company with Bank of India has been declared as non-performing assets (NPA).

Place: Konnagar
Date : 03.08.2021

Rajan Singh
Practising Company Secretary
Membership No. F10541
CP No. 13599
UDIN:- F010541C000728544

ANNEXURE TO THE SECRETARIAL AUDIT REPORT

To,
The Members,
Riga Sugar Company Limited
14, Netaji subhas Road
Kolkata- 700 001

My report of even date is to be read along with this letter.

1. Maintenance of Statutory and other records are the responsibility of the management of the company. My responsibility is to express an opinion on these records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the records. The verification was done on test basis to ensure that correct facts are reflected in records. I believe that the processes and practices I have followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. The Company was the following system of obtaining reports from other departments to ensure compliance with applicable laws, rules, regulations and guidelines as informed to us.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Konnagar
Date : 03.08.2021

Rajan Singh
Practising Company Secretary
Membership No. F10541
CP No. 13599
UDIN:- F010541C000728544

Annexure - V to the Directors Report**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2020-21, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial Year 2020-21 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:-

Sl. No.	Name of Directors(KMP) and Designation	Remuneration of Director/KMP for the Financial Year 2020-21 (Rs. in Lac)	% increase in Remuneration in the Financial Year 2020-21	Ratio of remuneration of each of Director to median remuneration of employees	Comparison of the remuneration of the KMP against the performance of the Company
1.	Mr.Om Prakash Dhanuka -Chairman cum Managing Director	1.00	-	0.42	Sales decreased by 48% during 2020-21. Net loss was Rs.4,737 lacs in 2020-21 as against net loss of Rs.2,410 lacs in 2019-20. There was insignificant remuneration to Non-executive Directors in the form of Sitting Fee only. Salary to Managing Directors was also only token amount. Salary to other KMP was also low in comparison to prevailing market situation. However the increase reflect due to part employment and low remuneration during previous year.
2.	Mr. Dilip Datta- Independent Director	0.32	33%	0.14	
3.	Mr. P. J. Bhide - Independent Director	0.16	33%	0.07	
4.	Mrs. Sulekha Dutta- Independent Director	0.32	33%	0.14	
5.	Mr. Nirmal K. Parasramka Non Executive Director	0.20	-17%	0.08	
6.	Mr. B. K. Bhartia Company Secretary	4.80	39%	2.03	
7.	Mr. J. K. Pachisia - CFO	5.45	194%	2.31	

Note:

- (i) Remuneration to the Independent Directors and non-executive Directors consisting of only sitting fee in 2019-20 and 2020-2021.
- (ii) The median remuneration of employees of the Company during the Financial Year was Rs. 2.36 lacs.
- (iii) In the financial year, there was increase in the median remuneration of the employees at 4%.
- (iv) Number of permanent employees on the rolls of the Company as on 31.03.21 were 499.
- (v) Turnover during the year 2020-21 was Rs.7914 lacs as compared to Rs 15,315 lacs during 2019-20. Net loss was Rs. 4,737 lacs in 2020-21 as against net loss of Rs. 2,410 lacs in 2019-20. Increase in median remuneration of employees during the year was 4%. The average increase in remuneration was not in line with the sales performance of the Company.
- (vi) The total remuneration of Key Managerial Personnel's increased by 78% from Rs.6.30 lacs in 2019-20 to Rs. 11.24 Lacs in 2020-21. Net loss during 2020-21 was Rs 4737 lacs as against net loss of Rs.2410 lacs in 2019-20. Salary to KMP was low in comparison to prevailing market situation. However the increase reflect due to part employment and remuneration during previous year.
- (vii) a) Variations in the Market capitalization of the Company: The Market capitalization as on 31.03.2021 was Rs. 542 Lacs and as on 31.03.2020 was Rs. 729 Lacs.
b) Price earnings ratio of the Company as at 31.03.2021 and 31.03.2020 was not applicable as the EPS was negative in both years.

- c) Percentage increase over/decrease in the Market quotations of the shares of the Company as compared to the rate at which the Company had come out with last public offer in the year: The company made initial public offer (IPO) in 1994-95 @ Rs.50/- per share . As on 31.03.2021, the closing market price of one Equity share was Rs. 3.75. Therefore, an amount of Rs. 100 invested in the said IPO would be worth Rs. 3.75 as on 31.03.2021. This excludes the dividend payout.
- (viii) Average percentage increase made in the salaries of employees other than the Managerial Personnel in the financial year 2020-21 was 4%, whereas there was no increase in managerial remuneration as most of the managerial personnel left the company due to non-operation.
- (ix) The Non-executive Directors were paid sitting fee of Rs. 4,000/- for attending the Board Meetings. No sitting fee was paid for attending committee meetings. Remuneration to directors are as per recommendation of the Nomination and Remuneration Committee and as approved by the Board and shareholders of the Company.
- (x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year 23 times. This is because CMD in view of continuous losses have reduce his salary by 97% and taking only token salary
- (xi) It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company.

STATEMENT OF PARTICULARS OF EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sl. No.	Name (Relationship)	Designation, Nature of duties	Remuneration (Rs.)	Qualification and experience (years)	Age (Years)	Date of commencement of employment	Last employer, designation
1	Shailendra Prasad	Chief Corporate Officer	23,16,000/-	M.Com, ACMA, ACS. (27 Yrs.)	52	1st July 1995	Chemcrown (India) Ltd- Company Secretary.
2	Rakesh Sharma	General Manager (Technical)	15,20,517/-	Dip. In Mech Engr. (38 yrs.)	62	07.06.2019	JHV Sugar Ltd. CGM
3	Sashi Gupta	Chief General Manager	14,42,226/-	B.Tech (Mech. Engr) (38 yrs.)	64	07.06.2019	Sugar Corp. of Uganda- Plant Head
4	Sushil Kumar Mishra	G.M. (Distillery)	13,93,056/-	MSC, P.G. Diploma in Ind.Ferm. & Alcohol Technology(29 years)	56	13.11.2019	Agarwal Distilleries Ltd. C.G.M.
5	Ram Kumar Pandey	G.M. (Commercial)	13,86,514/-	B.Com, MBA (Finance) CA (Inter) (26 yrs.)	53	5th June 2017	M/s. K. R. Pulp & Papers Ltd. (AGM-Commercial)
6	R N Sharma	Finance & Tax Advisor	10,21,600/-	M.Com (30 yrs)	55	1st April, 1991	--
7	Janki Jwan Mani	DGM (instrumentation)	8,27,272/-	B.E. (Electronics & Instrument) (24 yrs.)	51	15th September, 1999	Kanoria Sugar & General Manufacturing Co. Ltd. (Sr. Instrument Engineer)
8	Rajeev Sharma	Secretarial Manager	8,24,200/-	B. Com. (Hons.), C.S. (Inter - II Group), D.PG M.B.A. (27 Years)	53	1st October, 1994	--
9	Yash Pal Singh	G.M. (Cane)	7,94,771/-	M.Phil. (33 yrs.)	58	24.07.2020	Kareli Sugar Mills Ltd.,G.M.(Cane)
10	R. K. Roy	Account Executive	6,42,200/-	B. Com (27 yrs.)	53	1st October, 1994	--

Annexure - VII to the Directors Report

CORPORATE GOVERNANCE REPORT**COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

Riga Sugar Company Limited as a part of Dhanuka Group, has over the years endeavored to follow practice of Corporate Governance. Riga Sugar's business objective and that of its management and employees is to manufacture and market the Company's products so as to create value for consumers, farmers, shareholders, employees, and the national economy. In addition to compliance with regulatory requirements, Riga Sugar Company Limited endeavors to ensure that standards of ethical and responsible conduct are met throughout the organization.

BOARD OF DIRECTORS:-

The Board of Riga sugar Co. Ltd. as on 31st March, 2021 comprises of an Executive Chairman cum Managing Director (CMD) and four other Directors including a Women Director. The day to day affairs of the company is managed by CMD. The composition of the Board is in conformity with section 149 of the Companies Act, 2013 and Regulation 17(1) of SEBI (LODR) Regulations, 2015. The Composition, attendance at the Board meeting & last Annual General Meeting, Outside Directorship and other Board Committees are given below.

During the year ended 31st March, 2021, eight board meetings were held. The company held at least one meeting in every quarter and the time gap between two board meetings did not exceed 120 days. The details are as follow:-

Sl. No.	Date of Board Meeting	Board Strength	No. of Directors Present	No. of Independent Directors Present
1	11.06.2020,	5	3	2
2	23.06.2020	5	3	2
3	17.08.2020	5	3	2
4	26.08.2020	5	5	3
5	15.09.2020	5	5	3
6	13.11.2020	5	5	3
7	26.11.2020	5	5	3
8	11.02.2021	5	4	2

The composition of the Board of Directors as at 31st March, 2021, the number of other Boards of Directors or Board Committees of which he/she is a member/Chairperson and the attendance of each director at these Board Meetings and the last Annual General Meeting was as under:-

Directors	Category	No. of Outside Directorship Held (Public Ltd. Co.)	No. of Membership (Chairmanship) In Board Committees	No. of Board Meetings Attended	Attendance At previous AGM held on 30.12.2020	Shareholding in the Company
Mr. O. P. Dhanuka Chairman & Managing Director	Promoter & Executive	2	Nil	8	Yes	Nil
Mr. P. J. Bhide	Independent & Non-Executive	8	3	4	Yes	Nil
Mrs. Sulekha Dutta	-do-	2	1	8	Yes	Nil
Mr. Dilip Datta	-do-	3	0	8	Yes	Nil
Mr. N. K. Parasramka	Non Independent & Non - Executive	1	3	5	Yes	Nil

Note 1: number of directorship in other companies excludes directorship in private limited companies, foreign companies and companies incorporated under section 8 of the Companies Act, 2013.

Note 2: Board Committee chairmanship/memberships in other companies include only chairmanships/memberships of Audit Committees and Stakeholders Relationship Committee.

Note 3: Board committee memberships in other companies includes only chairmanships in committees of other companies.

As required under Para C of Schedule V to the Listing Regulations, based on the latest disclosures received by the Company, following are the names of the listed entities where the directors of the Company are also a director and the category of their directorships therein:

<u>Name of Director</u>	<u>Directorship and its category in Listed entity</u>
Mr. O.P. Dhanuka	Riga Sugar Co. Ltd (PE) The Belsund Sugar & Industries Ltd.(PE)
Mr. P.J. Bhide	Riga Sugar Co. Ltd (ID) The Belsund Sugar & Ind. Ltd Marmagoa Steel Ltd. (Under Liquidation) Dhunseri Investment Ltd. Plenty Valley Intra Ltd. The Grob Tea Co. Ltd Unick Fix -A-form and Printers Ltd.
Mr. Dilip Datta	Riga Sugar Co. Ltd (ID) The Ganges Manufacturing Co. Ltd. (ID) Nicc Corporation Ltd.(Under Liquidation)(ID)
Mrs. Sulekha Dutta	Riga Sugar Co. Ltd (ID) Premier India Bearings Ltd. (ID) The Belsund Sugar & Ind. Ltd. (ID)
Mr.N.K.Parasramka	Riga Sugar Co. Ltd. (NE)

PE = Promoter Executive : ID = Independent Director, NE = Non-Executive Director

Core Skills / Expertise / Competencies available with the Board

In pursuance of Para C(2), Schedule V to the Listing Regulations, the Board of Directors of the Company at its meeting held on 14th February, 2019 has identified the core skills/expertise/competencies that are desirable for the Company to function effectively in the context of the business of the Company and its sector. The Board of the Company comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees. While all the Board members possess the skills identified, their area of core expertise is given below:-

<u>Name of Director</u>	<u>Area of Expertise</u>
1 Mr. O.P. Dhanuka	Sugar & Distillery Plant Management Sugar Industry Expert Government Dealing & Representation Ex Wage Board Member for Sugar Industry Business Planning & Strategy Labour Management Agri Research & Development Farmers Understanding Leadership
2 Mr. P.J. Bhide	Economics Accounting and Finance Tax Laws & Compliance Statutory Compliance Auditing Interpersonal relations Leadership
3 Mr. Dilip Datta	Industry Experience Finance Corporate Consultancy Revival of Sick Industry Government Dealing Statutory Compliance Auditing Interpersonal relations Leadership

4	Mrs. Sulekha Dutta	Corporate Law Economics Statutory Compliance Interpersonal relations Leadership
5	Mr.N.K.Parasramka	Commercial Field Labour Matter Leadership

In the opinion of the Board the independent directors qualify the conditions for being independent director as prescribed under Regulation SEBI (LODR) Regulations,2015 and are Independent of the Management. The Board periodically reviews compliance reports of all laws applicable to the Company and necessary steps are being taken to ensure the compliance of law. .

As required under Regulation 17(7) of SEBI (LODR) Regulations, 2015, all the necessary information were placed before the Board from time to time.

The company pays to its non-executive Directors as sitting fees, an amount of Rs.4,000/- per meeting for attending meetings of the Board of Directors.

Code of Conduct

The company has adopted a code of conduct for its non-executive Directors and all non-executive Directors have affirmed compliances with the said code. All senior Management of the company have also affirmed compliance with the Code of Conduct. The code of conduct is also displayed on the website of the company www.rigasugar.com.

Maximum tenure of independent directors

The maximum tenure of independent directors is in accordance with the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

Formal Letter of appointment to independent directors

The company issue a formal letter of appointment to independent directors in the manner as provided in the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The terms and conditions of appointment of independent directors are placed on the company's website.

Performance evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 the Board of Directors has carried out an annual performance evaluation of its own performance, and that of its Committee and individual Directors.

A structured questionnaire was prepared after taking into consideration input received from the Directors, covering many aspects of the Board functioning. The performance evaluation of the independent directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-independent directors was carried out by independent directors. The Nomination and Remuneration Committee also carried out evaluation of every director's performance. The directors expressed their satisfaction with the evaluation process.

Independent Directors Meeting

In compliance with schedule IV of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the independent directors held their separate meeting on 10.02.2021 without the attendance of non-independent directors and members of management to review the performance of non-independent directors and chairman of the Board, assess their quality, quantity and timeliness of flow of information between company Management and the Board.

All Independent Director were present at the meeting. The independent directors present at the meeting deliberated on the above and expressed their satisfaction.

Transaction with Board Members, KMC and Senior Management

There were no materially significant transactions during the Financial Year with Board Members, KMC and Senior Management, including their relatives that had or could have has a potential conflict of interest with the company. The Annual Report of the company contains a certificate duly signed by Managing Director in this regard.

BOARD COMMITTEES

Composition of various Committees of Board of Directors are disclosed in website of the company www.rigasugar.com.

AUDIT COMMITTEE

The Audit committee has been constituted and its Terms of reference is in line with provisions of Regulation 18 of SEBI (LODR) Regulations, 2015 and section 177 of the Companies Act, 2013. Terms of Audit committee includes overseeing the financial reporting process, review of financial statements, ensuring compliance with the regulatory guidelines, review of internal audit report, recommending appointment and remuneration of auditors to the Board of Directors and to review adequacy of internal control systems and internal audit function and other matters specified for audit committee under the listing regulations and section 177 of the Act. The Audit committee also review information as per the requirement of part C of schedule II to the Listing Regulations.

The Audit Committee comprises of 4 directors, three of whom are Independent Directors. All of them are expert in corporate finance, accounts and corporate law. The Company Secretary acts as secretary of the committee. The CFO, Auditor, Internal Auditor and Cost Auditor are the permanent invitee of the audit committee meeting. The Internal auditors report directly to the audit committee.

The Audit Committee of the Company met 4 times during the financial year 2020 21 on 26.08.2020, 15.09.2020, 13.11.2020 and 11.02.2021.

The composition and attendance at the audit committee meeting are as follow:-

Name of Members	Status	No. of Meetings attended	Date of Joining during the year	Date of leaving during the year
Mr. P.J.Bhide (Chairman)	Independent & Non-Executive	4	-	-
Mrs. Sulekha Dutta	-do-	4	-	-
Mr.N.K.Parasramka	Non Independent & Non Executive	4	-	-
Mr. Dilip Datta	Independent & Non Executive	4	-	-

Mr. P.J.Bhide , Chairman attended the AGM held on 30.12.2020.

There is no relationship between directors inter-se.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carry out evaluation of every directors performance. It shall carry out such other functions as may be required under section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015. The Nomination and Remuneration Committee comprises of 4 Directors, all of whom are non-executive and three of them are Independent Directors. The members of the Committee are Mr.P.J.Bhide - Chairman, Mrs. Sulekha Dutta, Mr. Dilip Datta and Mr.N.K.Parasramka.

During the Financial Year 2020 - 21 Three Nomination and Remuneration Committee Meeting was held on 19.08.2020, 13.11.2020 and 11.02.2021. The composition and attendance of the members of the Nomination and remuneration Committee are as follow:-

Name of Members	Status	Position in Committee	Date of Joining during the year 2020-21	Date of leaving during the year 2020-21	Meeting dated 21.06.2020 attended by
Mr. P.J.Bhide	Independent & Non-Executive	Chairman	-	--	Attended
Mr.Dilip Datta	-do-	Member	-	-	Attended
Mrs. Sulekha Dutta	-do-	Member	-	-	Attended
Mr.N.K.Parasramka	Non Ind. & Non Executive	Member	-	-	Attended

Remuneration Policy

The Board on the recommendation of the Nomination and Remuneration Committee has framed a Remuneration Policy, providing (a) criteria for determining qualification, positive attributes and independence of directors and (b) a policy on remuneration for directors, key managerial personnel and other employees.

REMUNERATION OF DIRECTORS FOR FINANCIAL YEAR 2020-21

Name of the Director	Sitting Fee	Salaries	Perquisites/ Benefits	(Amount in Rs.)	
					Total
Mr. O.P.Dhanuka, Chairman - Managing Director	--	60,000/-	39,600/-		99,600/-
Mr.P.J.Bhide	16,000/-	--	--		16,000/-
Mrs. Sulekha Dutta	32,000/-	--	--		32,000/-
Dr. Dilip Datta	32,000/-	--	--		32,000/-
Mr.N.K.Parasramka	20,000/-	--	--		20,000/-

The Company does not have any stock option scheme.

The present appointment of the Managing Director is for a period of three years and is effective from 13th August, 2019.

Familiarization Programme

With a view to familiarizing the Independent Directors with the company's operations as required under Regulation 25 of SEBI (LODR) Regulations, 2015, the company held various programme on continuous basis. The details of familiarization programmes are also placed on the companies website www.rigasugar.com

SHAREHOLDERS COMMITTEE

(i) Share Transfer Committee

The Share Transfer Committee was constituted to deal with various matters relating to share transfer/transmission, issue of duplicate share certificates, approving the split and consolidation request and other matters relating to transfer and registration of shares.

The members of the committee are Mr. O.P.Dhanuka, Mr. N.K.Parasramka. and Mrs.Sulekha Dutta. No meeting held during the year.

NO MEETINGS WERE HELD AS THERE WAS NO PHYSICAL TRANSFER

(ii) Stakeholders Relationship Committee

In compliance with the provision of section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015 the Board has constituted "Stakeholders Relationship Committee " to look into and resolve the Grievance of security holders of the company related to transfer of shares, non-receipt of annual report and non-receipt of dividend.

During the financial year 2020-21, the Committee met on 28.05.2020,08.07.2020,08.10.2020 and 08.01.2021 (four meetings).

The Composition and attendance of Stakeholder Relationship Committee during the year were as follows:-

Name of Members	Status	No. of Meetings attended	Date of Joining during the year	Date of Leaving
Mr. N.K.Parasramka - Chairman	Non Ind. & Non Executive	4	-	-
Mr.P.J.Bhide	Independent & Non-Executive	4	-	-
Mrs. Sulekha Dutta	-do-	4	-	-
Mr. Dilip Dutta	-do-	4	-	-

Shareholder complaints received and redressed during the Financial Year 2020-21

Nature of Grievances	Complaints received from				Total Complaints received during 2020-21	Total Complaints resolved	No. of complaints outstanding as on 31st March, 2021
	Investors directly	Stock Exchange	SEBI 'SCORES'	ROC			
Non-receipt of Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Non-receipt of Share Certificate	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Non-receipt of Annual Reports	Nil	Nil	Nil	Nil	Nil	Nil	Nil

SUBSIDIARY COMPANY

The company has no subsidiary company.

COMPLIANCE OFFICER

Mr. B.K.Bhartia , Company Secretary- Compliance Officer

Address: Riga Sugar Co. Ltd.

14, Netaji Subhas Road, Kolkata- 700 001

Phone No. 033 2231 3414/15

e-mail.:cs.rigasugar@gmail.com

GENERAL BODY MEETING

Location and time of last Annual General Meetings are as under:

For Financial year ended	Venue	Date and time	No of Special Resolution passed
31.03.2020	Through Video Conference	30th December, 2020 at 11.00 a.m.	2
31.03.2019	Sitaram Seksaria Sabhagar (Auditorium) Bhartiya Bhasa Parishad, 36A, Shakespeare Sarani, Kolkata- 700 017	25th September, 2019 at 11.30 a.m.	1
31.03.2018	Sitaram Seksaria Sabhagar(Auditorium) Bhartiya Bhasa Parishad, 36A, Shakespeare Sarani, Kolkata- 700 017	25th September, 2018 at 11.00 a.m.	0

During last one year no special resolution passed through postal ballot.

No special resolution is proposed to be passed through postal ballot in the ensuing Annual General meeting

DISCLOSURES

- (i) The details of related party transactions is mentioned in note no. 25 (16) of financial statement. There was no materially significant related party transaction, which was considered to have conflict with the interest of the Company at large. The company has disclosed the policy of dealing with the related party transaction on its websites at www.rigasugar.com.
- (ii) Disclosure of transaction with entity belonging the promoters group which hold 10% or more shareholding in the company- The Belsund Sugar & Industries Limited holding 19.33% shares and D G Vitta Vinimay & Properties Ltd holding 49.15%. The details of transaction is stated in note no. 25(16) of financial statement.
- (iii) There was no non-compliance, penalties or strictures imposed on the Company by the Stock Exchange, SEBI or any other statutory authority, on any matter relating to the capital markets, during the last three years except during the year 2019-20 fine was levied by BSE of Rs. 97,200/- for late publication of quarterly result under regulation 33 of LODR, which was paid by the Company but was waived by BSE Ltd. vide their letter dated 16.01.2020. Again there was delay in submission under 33, 13 (3), 27 (2) and 31 of SEBI (LODR), 2015 during the year due to complete lockdown for prevention of COVID 19, for which fine was imposed by BSE Ltd. and paid by the Company to BSE Ltd. and request was made for waiver/refund of fine which was also waived by BSE Ltd. vide their mail dated 6th August, 2021. For delay in submission under regulation 31 for the period September, 2014 BSE Ltd. levied a fine for Rs. 7,735/- which was paid by the Company on 31.10.2020. For non compliance under regulation 19(1) for the period September,2018 BSE Ltd. levied a fine of Rs. 2,17,120/- (incl GST) which was paid by the Company. For delay in submission under Regu 23(9) for September, 2020 BSE Ltd. levied the fine of Rs. 2,06,500/- (incl GST) which was paid by the Company, the fine was waived by BSE Ltd. vide their mail dated 20.07.2021.

- (iv) Inter-se relationships between Directors and Key Managerial Personnel of the Company:- None
- (v) Details of utilisation of funds raised through preferential allotment or qualified institutions placement: Not Applicable
- (vi) Credit rating(s) obtained by the Company for any debt instrument, fixed deposit programme or any other scheme involving mobilisation of funds: None
- (vii) None of the Directors of the Company has been debarred or disqualified from being appointed or continuing as a Director by SEBI / Ministry of Corporate Affairs / Statutory Authorities, which has also been confirmed by Mr. Ranjan Singh Practising Company Secretary.
- (viii) The total fees paid during the year by the Company and its subsidiaries to the Statutory Auditors and all entities in the network firm / network entity of which the Statutory Auditors are a part, aggregate Rs. 5.05 Lacs to M/s Salapuria & Partners.
- (ix) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are provided in the Directors Report forming part of the Report and Accounts
- (x) Details with respect to secretarial audit of the Company and confirmation by the Board with respect to the Independent Directors are provided in the 'Report of the Board of Directors & Management Discussion and Analysis', forming part of the Report and Accounts.
- (iii) None of the Non-Executive Directors hold equity shares or convertible instruments of the Company as on 31.03.2021 .
- (iv) The Company has followed the guidelines of Accounting Standards prescribed under the Companies (Accounting Standard) Rules, 2006 in preparation of its financial statements.
- (v) Pursuant to section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015, Whistle Blower Policy has been made in Board Meeting dated 25.05.2014.

The Whistle Blower Policy/Vigil Mechanism provides a mechanism for the director/employee to report violations without fear of victimization of any unethical behavior, suspected or actual fraud, violation of the code of conduct etc. which are detrimental to the organization's interest. The Whistle Blower Policy is placed on the companies website www.rigasugar.com. During the year no personnel has been denied access to the Audit Committee.

- (xi) The company has no unlisted subsidiary company as defined under Listing Regulations.
- (xii) Industry structure and developments, opportunities and threats, segment-wise or product-wise performance, outlook, risks and concerns of the Company and discussion on financial performance with respect to the operational performance, has been covered in the Director's Report.
- (xiii) The Managing Director and CFO certificate for the year 2020-21 forms part of the Annual Report.
- (xiv) All mandatory requirements relating to corporate governance under the Listing Regulations have been appropriately complied with and the status of non-mandatory (discretionary) requirements is given below:
 1. The Company does not bear any expenses of the Non- executive Chairman's office.
 2. The Financial Statements have Audit Qualifications, which has been explained here in above.
 3. The Internal Auditors of the Company report directly to the Audit Committee.
- (ix) The Company has laid down Risk Assessment and Minimization procedures and the same are periodically reviewed by the Board . The Company has a defined Risk Management Policy approved by the Board of Directors of the Company. Further the Company has adequate internal control systems to identify risks at appropriate time and to ensure that the executive management controls the risk through properly defined framework.
- (x) The company is engaged in the production and sale of commodities viz sugar, Ethanol ,Bio-Fertiliser and co-gen power in the domestic market. The price risk of sugar is related to domestic demand and supply and there is no absurd movement in price as the market is homogeneous because large of sugar manufacturer and supplier is there in India. The Ethanol Procurement and Co-Gen Power is determined by the government and thus there is no price movement risk associated. The sale of Bio-fertiliser is primarily to farmers at pre-determined price and thus there is no risk of price fluctuation.
There is no foreign exchange exposure and also no hedging and thus there is no associated foreign exchange and hedging risk associated with the company.
- (xi) Other terms which are not applicable to the Company have not been separately commented upon.

MEANS OF COMMUNICATION

The abstract Quarterly, Half yearly and Annual Results were published in the leading English and Bengali Newspapers such as 'The Financial Express', and 'Dainik Statement' (Bengali). The Half-Yearly reports are not sent to household of shareholders. The Company's Website is www.rigasugar.com, Official news release and presentations made to analysts are sent to the Stock Exchanges at Calcutta and Mumbai, where shares of the Company are listed.

The Company's Quarterly Results are available on www.rigasugar.com

As per Listing Regulations, certain documents/information such as quarterly/annual financial results, shareholding pattern and corporate governance are accessible on the website www.rigasugar.com

The Company has designated separate section for redressal of the investor grievances and necessary disclosure to this effect in the Company's website www.rigasugar.com as well the email-id cs.rigasugar@gmail.com

GENERAL SHAREHOLDERS INFORMATION

(i) Annual General Meeting

Date and Time : 21st September, 2021 at. 11.00 a.m.

Deemed Venue : The Company is conducting AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM)

(ii) Financial Year Calendar for 2021-2022

Results for quarter ending, June, 2021	second week of August, 2021
Results for quarter ending, September, 2021	second week of November, 2021
Results for quarter ending, December, 2021	second week of February, 2022
Results for quarter ending March, 2022	second week of May, 2022 (Unaudited) OR last week of May, 2022 (if audited)

(iii) Date of Book Closure

18.09.2021 to 21.09.2021

(iv) Outstanding ADRs/GDRs Warrants or any convertible instruments, conversion date and likely impact on equity

NIL

LISTING OF EQUITY SHARES ON STOCK EXCHANGES AT

(i) The Calcutta Stock Exchange Limited
7, Lyons range, Kolkata - 700 001

(ii) BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400 001

LISTING FEES

Listing fee for the year 2021-22 has been paid to BSE Ltd.

DEPOSITORIES

(i) National Securities Depository Limited
Trade World, 4th Floor, Kamala Mills Compound
Senapat Bapat Marg, Lower Parel
Mumbai- 400023

(ii) Central Depository Securities Limited
Phiroze Jeejeebhoy Towers, 28th Floor
Dalal Street
Mumbai- 400 023

STOCK CODE

- CSE Code 10028038
- BSE Code 507508
- ISIN Code INE 909 C01010

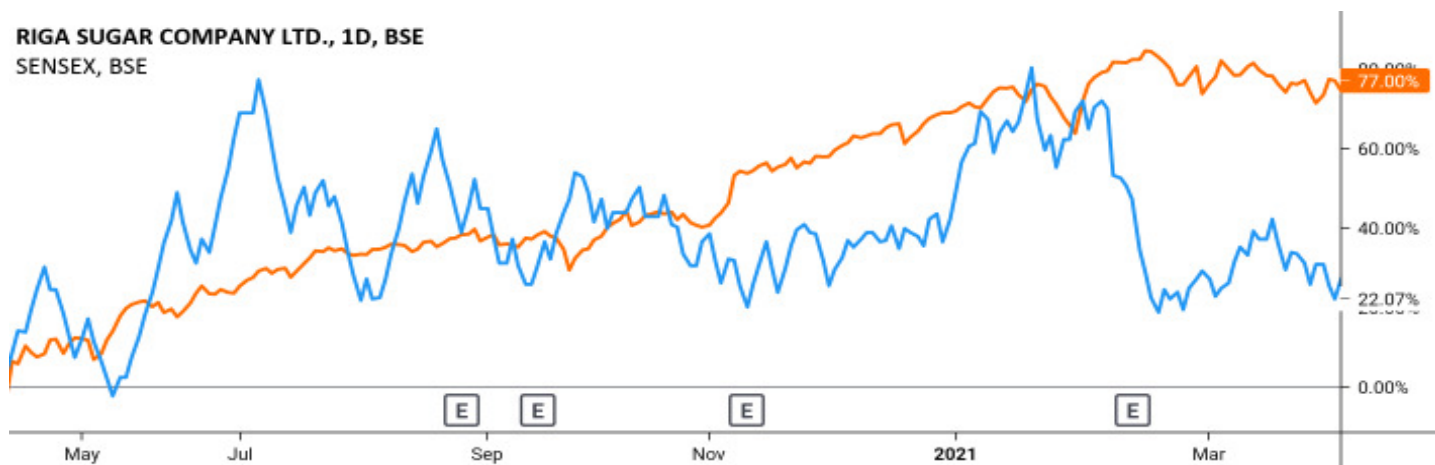
STOCK MARKET DATA

	Calcutta Stock Exchange(CSE)			Bombay Stock Exchange(BSE)		
	Month's high Price	Months Low Price	Volume	Month's high price	Month's low price	Volume
April, 2020	-	-	-	3.89	2.85	45,051
May, 2020	-	-	-	3.50	2.92	3,720
June, 2020	-	-	-	4.86	3.06	46,770
July, 2020	-	-	-	5.49	3.82	37,548
Aug. 2020	-	-	-	5.00	3.51	48,642
Sept. 2020	-	-	-	4.78	3.61	97,484
Oct. 2020	-	-	-	4.68	3.71	16,646
Nov. 2020	-	-	-	4.34	3.59	31,275
Dec. 2020	-	-	-	4.40	3.57	2,97,068
Jan. 2021	-	-	-	5.39	4.04	1,20,753
Feb. 2021	-	-	-	5.49	3.41	1,14,710
Mar. 2021	-	-	-	4.30	3.52	1,40,353

Note: There was no trading in Calcutta Stock Exchange during on year and many previous year.
Share Price Performance in comparison to BSE Sensex.

BSE Sensex	
% change in RSCL share price	% change in Sensex
(+) 32%	(+) 68%

Financial Year ended 31st March, 2021



REGISTRAR AND TRANSFER AGENTS, SHARE TRANSFER SYSTEM

Share transfers are normally held within a maximum period of 15 days from the date of receipt and Demat request is confirmed within a period of 14 days.

Registrars and Share Transfer Agents:

M/s S.K. Infosolutions Pvt.Ltd.
D/42, Katju Nagar Colony
(Near South City Mall) Ground Floor
Jadavpur, Kolkata - 700 032
Phone : 033 2412 0027
E-mail : skcdilip@gmail.com

CATEGORIES OF SHAREHOLDING AS ON 31ST MARCH, 2021

Category	Number of Shares	Percent of total shares
Promoters	98,89,810	68.47
Foreign Institutional Investors	-	-
Banks, Financial Institutions, Insurance Co.	-	-
Companies (Central/State Govt. Institutions/Non Govt. Institutions)	-	-
Mutual Funds and UTI	2,600	0.02
Private Corporate Bodies(including clearing members)	9,61,006	6.65
Non-Resident Indian(NRI) and Overseas Corporate Bodies(OCB)	73,770	0.51
Indian Public	35,16,219	24.35
TOTAL	1,44,43,405	100.00

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2021

Shareholding Range	Number of shareholders	% of Shareholders	No. of Shares	% of Shareholding
1-500	5,124	86.03	615287	4.25
501-1000	332	5.57	279542	1.94
1001-2000	202	3.39	308188	2.13
2001-3000	91	1.53	231047	1.60
3001-4000	37	0.62	134718	0.93
4001-5000	41	0.69	196127	1.36
5001-10000	62	1.04	476272	3.30
10001-50000	54	0.91	1104751	7.65
50001-100000	6	0.10	395549	2.74
100001 and above	7	0.12	10701924	74.10
TOTAL	5956	100.00	1,44,43,405	100.00

DEMATERIALISATION OF SHARES AND LIQUIDITY

	No.	%
Demat in CDSL	18,25,501	12.64
Demat in NSDL	1,23,89,887	85.78
Physical	2,28,017	1.58
Total	1,44,43,405	100.00

98.42% equity Shares of the Company have been dematerialized as on 31st March,2021.

There is no demat Suspense Account/Unclaimed Suspense Account.

PLANT LOCATION

- i) SUGAR UNIT, Dhanuka Gram, P.O.Riga, Dist. Sitamarhi, Bihar - 843 327
- ii) DISTILLERY UNIT, Dhanuka Gram, P.O.Riga, Dist. Sitamarhi, Bihar - 843 327

INVESTORS CORRESPONDANCE

All share transfer cases should be forwarded to the Registrars & Share Transfer Agents of the company. All communication should be forwarded to the Registered Office of the Company marked to the attention of the Company Secretary- Mr.B.K.Bhartia (Phone No. 033 2231-3414 , E-mail cs.rigasugar@gmail.com)

DECLARATION BY THE MANAGING DIRECTOR ON THE CODE OF CONDUCT

Pursuant to Regulation 17 (5) of SEBI (LODR) Regulations, 2015, this is to confirm that company has adopted the code of conducts for its Board Members and Senior Management Personnel and same is available on the website of the company. The Board of Directors and Senior Management Personnel of the company have affirmed their compliance with the said code, it is hereby declared that the company has obtained from all the Board Members and Senior Management personnel affirmation that they have complied with the said code for the financial year 2020-21

Kolkata
06.08.2021

O. P. Dhanuka
(DIN : 00049947)
Chairman - Managing Director

CMD Certification in Terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors

Riga Sugar Co.Ltd.

Kolkata.

Re: Financial Statements for the Financial Year 2020-21 Certification by CMD.

I, O.P.Dhanuka, Managing Director and J. K. Pachisia CFO of Riga Sugar Co. Ltd, on the basis of the review of the financial statements and the cash flow statement for the year ended 31st March,2021 and to the best of our knowledge and belief, hereby certify that:-

1. These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March,2021 which are fraudulent, illegal or violative of the company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting, we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee those deficiencies in the design or operation of such internal controls of which we are aware and the steps we have taken or propose to take to rectify these deficiencies
5. We have indicated to the Auditors & the Audit Committee:
 - a) there have been no significant changes in internal control over financial reporting during this period
 - b) about the significant changes in accounting policies during this period.
 - c) there have no instances of significant fraud of which we have become aware and the involvements therein, of management or an employee having significant role in the company's internal control systems over financial reporting.

Kolkata
06.08.2021

J. K. Pachisia
C.F.O.

O. P. Dhanuka
(DIN : 00049947)
Chairman - Managing Director

CERTIFICATE

To,
The Members
RIGA SUGAR CO LTD
CIN:L1542IWB1980PLC032970
14 Netaji Subhas Road, 2nd Floor
P S Hare Street, Kolkata WB 700001

I have examined the compliance of conditions of corporate governance by Riga Sugar Co. Limited (CIN L15421W81980PLC032970) for the year ended on 31st March, 2021 as

stipulated in the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I state that in respect of investor grievances received during the financial year ended 31st March, 2021, no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Company.

I further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Konnagar
Date : 03.08.2021

Rajan Singh
Practising Company Secretary
Membership No. F10541
CP No. 13599
UDIN:- F010541C000728544

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and clause 10(i) of Part C of Schedule V of SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
RIGA SUGAR CO LTD
CIN:L1542IWB1980PLC032970
14 Netaji Subhas Road, 2nd Floor
P S Hare Street, Kolkata WB 700001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Riga Sugar Co. Limited, having CIN L1542IWB1980PLC032970 and having registered office at 14, Netaji Subhas Road, 2nd Floor, P S Hare Street, Kolkata-700001 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations

furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

<u>SR</u>	<u>NAME OF DIRECTOR</u>	<u>DIN</u> <u>IN COMPANY</u>	<u>DATE OF APPOINTMENT</u>
1	Om Prakash Dhanuka	00049947	02/09/1980
2	Purushottam Jagannath Bhide	00012326	12/04/2019
3	Dilip Datta	00406151	11/02/2016
4	Sulekha Dutta	07114240	30/12/2020*
5	Nirmal Kumar Parasramka	00086584	18/09/2017#

Note : * Resigned on 01/07/2021

Resigned on 05/05/2021

Both the Directors resigned after financial year ended 31st March 2021, but were qualified to act as director of the company.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Konnagar
Date : 03.08.2021

Rajan Singh
Practising Company Secretary
Membership No. F10541
CP No. 13599
UDIN:- F010541C000728544

INDEPENDENT AUDITOR'S REPORT

**TO
THE MEMBERS OF
RIGA SUGAR COMPANY LIMITED**

Report on the Audit of the Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying Ind AS financial statements of Riga Sugar Co Ltd ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matter described in the basis for Qualified Opinion section of our report, the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act and other principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive Income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

Going Concern Assumption in preparation of the Statement

Due to the continuous Losses, Company's Net Worth has been fully eroded [Refer Note 25(8)]. The Company has also defaulted in repayment of Borrowings to the banks and others. In view of the Management, the Company would be able to continue as a Going Concern with financial restructuring by the banks and financial assistance from the state and central government. However, in view of the uncertainties involved, these events and conditions indicate a material uncertainty which may cast a significant doubt on the Company's ability to continue as a Going Concern. Accordingly, the use of Going Concern Assumption of accounting in preparation of the Statement is not adequately and appropriately supported as per the requirement of Indian Accounting Standard 1 "Presentation of Financial Statement".

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the Ind AS Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Financial Statements.

Key Audit Matters	Addressing the key audit matters
A. Derecognition of Deferred Tax Assets (Note no. 25(6) of the financial statements)	
Deferred tax Asset of Rs. 935.52 lakhs derecognized during the year being carried forward in the financial statements as at March 31, 2020.	<p>Our Audit procedures based on which we arrived at the conclusion regarding reasonableness of the accounting effect on derecognition and disclosures of the Deferred Tax Assets include the following:</p> <ul style="list-style-type: none"> • Utilization of Deferred tax assets have been tested on the basis of internal forecasts prepared by the Company and probability of future taxable income; • Critical review of the underlying assumptions for consistency for arriving at reasonable degree of probability on the matters; • Requirement of Ind AS 12 "Income Taxes" and application thereof.
B. Going Concern Assumption (Note no. 25(8) of the financial statements)	
<p>The Company's current liabilities have exceeded current assets by Rs. 23111.86 lakhs as on March 31, 2021 and net worth fully eroded. The company defaulted in repayment of its borrowings and also unable to pay its creditors. The operation of factory is also suspended.</p> <p>These are important for going concern assumption and certain significant aspect of our audit.</p>	<p>Our audit procedures included testing management's assumptions on the appropriateness of the going concern assumptions and reasonableness of the assumptions used, focusing in financial restructuring by the banks and financial assistance from the state and central government, following procedures were applied in this respect:</p> <ul style="list-style-type: none"> • Review of the Debt Restructuring process and steps so far taken by lenders in this respect. <ul style="list-style-type: none"> - Core operations of the company and management expectation of sustainability thereof; - Minutes of the meetings of the Company with the consortium of lenders; - Terms & conditions specified in the Holding on operation approved by the banks(lenders). - Assistance from the state and central government • Review of disclosures made by the management in the financial statement to ensure compliances in this respect.

Information Other than the Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, changes

in equity and cash flows of the Company in accordance with the Indian Accounting Standards specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decision of user taken on the basis of these Ind AS Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Financial Statement in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "Annexure-A", a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

- 2) As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2021, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure -B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act (as amended), the Company has paid remuneration to its director during the year is in accordance with the provisions of this section ,and is in limit laid down under this section.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as at 31st March 2021[Refer Note No. 25(1)to the financial statements].
 - (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company as at 31st March,2021.

For Salarpuria & Partners

Chartered Accountants
(Firm ICAI Regd No. 302113E)

Nihar Ranjan Nayak

Membership No. 57076

Partner

UDIN : 21057076AAAACX3623

Place : Kolkata

Date : 23.06.2021

ANNEXURE - 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our Report of even date)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March, 2021, we report that:

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As explained to us, the fixed assets have been physically verified by the management at reasonable intervals, in a phased verification program, which, in our opinion, is reasonable, looking to the size of the Company and after following restriction of Covid-19 guidelines. According to the information and explanations given to us, no such material discrepancies noticed on such verification.
 - (c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of company.
- ii) As explained to us, inventories have been physically verified during the year by the management, which, in our opinion, is reasonable and after considering restrictions of Covid-19 guidelines, the discrepancies which were noticed have been properly dealt with in the books of account.
 - iii) The Company has not granted unsecured loan during the year to parties, covered in the register maintained under section 189 of the Companies Act, 2013. So comments on terms and conditions of loan granted and repayment of principal and interest does not arise. However, the loans granted to a company register maintained under section 189 of the companies Act, 2013 in earlier year which is written off during the year [Refer Note No. 25(16)(b)(1)].
 - iv) According to the information and explanations given to us, there are no such loans, investments, guarantees and security for which Section 185 & Section 186 are applicable.
 - v) According to the information and explanations given to us, there is no such deposits, taken by the Company, for which directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, are required to be complied with.
 - vi) Maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and such accounts and records have been so made and maintained.
 - vii) a) According to the records of the Company and as per the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues except in some cases including provident fund, employees' state insurance, goods and services tax, income tax, duty of customs, cess and other statutory dues with the appropriate authorities. Some delay is noticed in depositing the above however, no arrears of outstanding statutory dues on the last day of the financial year concerned exists for a period of more than six months from the date they became payable.
 - b) On the basis of our examination of the documents and records the following disputed statutory due which have not been deposited with the appropriate authorities are as under:

The details regarding the Excise Duty, Custom Duty and Service Tax disputed dues are as follows:

Name of Statute	Nature of dues	Amount of demand (Including Interest & Penalty) (Rs. in Lacs)	Amount deposited under dispute (Rs. in Lacs)	Period to which amount relates	Forum where dispute is pending
1					
VAT	VAT on SDS @ 12.5% instead of 4%	95.72	35.62	2009-10 & 2010-11	Commercial Taxes Tribunal, Patna
2 VAT	VAT on SDS @ 12.5% instead of 4%	230.65	41.73	2011-12	Commercial Taxes Tribunal, Patna
3 VAT	VAT on Stock Transfer of RS for CL	61.84	12.99	2012-13	Commercial Taxes Tribunal, Patna
4 VAT	VAT on Stock Transfer of RS for CL	200.15	10.00	2013-14	Commercial Taxes Tribunal, Patna
5 State Excise Dept.	Inferior Quality of Country Liquor supplied at Araria	382.49	-	2015-16	Hon'ble Patna High Court
6 State Excise Dept.	Inferior Quality of Country Liquor supplied at Seohar	98.07	-	2016-17	Hon'ble Patna High Court
7 Employee State Insurance	Employee State Insurance	2.30	2.30	2013-2014 to 2017-2018	Employee State Insurance Court

viii) The Company has defaulted in repayment of loans to Banks .The details of the facts are given as follows:

Name of the Banks/ Financial Institution	Loan outstanding as on 31.03.2021	Remarks
Bank of India(BOI)	Rs. 6243.08 lacs	Present status - "Holding on Operation" Both banks served notices under SARFAESI Act,2002 for repayment of their respective loan and as per banks the loan became NPA w.e.f 30th September,2018. As a result, term loans and working capital loans is shown under Financial Liabilities under Current liabilities as "Holding on Operation" and subject to confirmation and reconciliation thereof Refer Note 12A (d)&(e) and Note 14A of the financial statements.
Union Bank of India (UBI)	Rs. 1623.65 lacs	

Interest payable on above 1078.12 lacs.

Further, the Company has defaulted in repayment of Sugar Development Fund (SDF) amounting to `997.07 lakhs and of 1257.88 Lakhs is still not acknowledged as debt [Refer Note 25(1)(c)]. The company has also defaulted in repayment of Kisan Credit Card Loans of Rs. 6422.51 Lakhs [Refer Note 25(7)].

- ix) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not raised any term loan, and it has not raised any money by way of initial public offer or further public offer during the year. Hence comment on this clause is not applicable.
- x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted audit practices in India, and according to the information and explanation given to us, we have neither come across instance of fraud on the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
- xi) To the best of our knowledge and belief, managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii) According to the information and explanation given to us, clause (xii) in respect of Nidhi Company is not applicable to the company. Hence the comment on the said clause does not arise.
- xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act 2013, and have been disclosed in Notes to Accounts as required by Ind AS 24. [Refer Note 25(16)].
- xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year; hence comment on the said clause of the order is not applicable.
- xv) To the best of our knowledge and belief and as per the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or persons connected with them.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Salarpuria & Partners**
Chartered Accountants
(Firm ICAI Regd No. 302113E)

Nihar Ranjan Nayak
Partner
(Membership No. : 57076)
UDIN : 21057076AAAACX3623

Place : Kolkata
Date : 23.06.2021

ANNEXURE `B' TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

(Referred to Paragraph 2(g) of Report on Other Legal and Regulatory Requirements of our Report of even date)

We have audited the internal financial controls over financial reporting of Riga Sugar Co Ltd("the Company") as of 31st March, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Unit considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Unit's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding

prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Salarpuria & Partners**
Chartered Accountants
(Firm ICAI Regd No. 302113E)

Nihar Ranjan Nayak
Partner
(Membership No. : 57076)
UDIN : 21057076AAAACX3623

Place : Kolkata
Date : 23.06.2021

Balance Sheet as at 31st March, 2021

CIN : L15421WB1980PLC032970

(Rs. in Lakhs)

ASSETS	Notes	As at 31.03.2021	As at 31.03.2020
(1) NONCURRENT ASSETS			
(a) Property, Plant and Equipment	2	15,581.91	16,002.05
(b) Capital Work in Progress	2	-	21.55
(c) Other Intangible Assets	3	26.89	32.69
(d) Financial Assets			
(i) Other Financial Assets	4(b)	719.69	874.99
(e) Deferred Tax Assets (Net)	5	-	935.52
(f) Other Non- Current Assets	6	432.26	551.97
Total (1)		16,760.76	18,418.76
(2) CURRENT ASSETS			
(a) Inventories	7	672.15	8,399.05
(b) Financial Assets			
(i) Trade Receivables	8(a)	113.19	527.74
(ii) Cash & Cash Equivalents	8(b)	26.89	62.23
(iii) Bank Balances other than (ii) above	8(c)	20.73	127.54
(iv) Loans	4(a)	-	-
(c) Current Tax Asset (Net)	9	13.37	14.08
(d) Other Current Assets	10	116.51	275.46
Total (2)		962.84	9,406.10
Total Assets (1+2)		17,723.60	27,824.87
EQUITY AND LIABILITIES	Notes	As at 31.03.2021	As at 31.03.2020
(1) EQUITY			
(a) Equity Share Capital	11(A)	1,444.34	1,444.34
(b) Other Equity	11(B)	(8,356.69)	(3,602.19)
Total (1)		(6,912.35)	(2,157.85)
(2) LIABILITIES			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	12(a)	-	-
(b) Other Non Current Liabilities	15(a)	44.78	47.35
(c) Provisions	13	516.47	510.35
Total (2)		561.25	557.70
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14(a)	9,846.54	11,857.12
(ii) Trade Payables	12(b)		
(A) Total outstanding dues of micro enterprises and small enterprises;		12,093.06	15,793.95
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises;		1,835.79	1,226.97
(iii) Other Financial Liabilities	14(b)		
(b) Other Current Liabilities	15(b)	82.90	401.13
(c) Provisions	16	216.42	145.84
Total (3)		24,074.70	29,425.02
Total Equity and Liabilities (1+2+3)		17,723.60	27,824.87

Significant Accounting Policies & Other Notes

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For **SALARPURIA & PARTNERS**

Chartered Accountants

Firm ICAI Reg. No. 302113E

Nihar Ranjan Nayak

Partner

(Membership No. : 57076)

J. K. Pachisia

CFO

B. K. Bhartia

Company Secretary

1 & 25

For and on behalf of the Board of Directors

O. P. Dhanuka

(DIN : 00049947)

Chairman &
Managing Director**Sulekha Dutta**

(DIN : 07114240)

Directors

Place : Kolkata

Date : 23.06.2021

Statement of Profit and Loss for the year ended 31st March, 2021

CIN : L15421WB1980PLC032970

(Rs. in Lakhs)

PARTICULARS	Notes	For the Year ended 31.03.2021	For the Year ended 31.03.2020
I. Revenue from Operations	17	7,914.16	15,313.22
II. Other Income	18	544.38	394.29
III. Total Revenue (I + II)		8,458.54	15,707.51
IV. Expenses:			
a) Cost of Materials Consumed	19	38.66	9,461.43
b) Excise duty on sale of goods		-	-
c) Changes in Inventories of Finished Goods, Stock in Trade and Work in Progress	20	7,555.28	3,457.65
d) Employee Benefit Expenses	21	666.43	1,633.61
e) Finance Costs	22	1,757.59	1,481.02
f) Depreciation and Amortization Expense	23	518.61	521.18
g) Other Expenses	24	1,723.55	1,562.59
IV. Total Expenses		12,260.12	18,117.48
V. Profit/(Loss) before Exceptional Items and Tax (III - IV)		(3,801.58)	(2,409.96)
VI. Exceptional Items		-	-
VII. Profit/(Loss) before Tax (V -VI)		(3,801.58)	(2,409.96)
VIII. Tax Expense:			
1 Current Tax		-	-
2 Tax for earlier years (Net)		-	-
3 Deferred Tax[Refer note- 5]		935.52	-
Net Current Tax (VIII)		935.52	-
IX. Profit/(Loss) for the Period (VII- VIII)		(4,737.10)	(2,409.96)
X. Other Comprehensive Income for the period			
(i) Item that will not be reclassified to Profit or Loss		(17.40)	(59.24)
(ii) Items that will be reclassified to Profit or Loss		-	-
XI. Total Comprehensive Income for the period (IX +X)		(4,754.50)	(2,469.20)
Earnings per Equity Share (for Continuing Operations):	25(3)		
(1) Basic		(32.80)	(16.69)
(2) Diluted		(32.80)	(16.69)

Significant Accounting Policies & Other Notes

The accompanying notes are an integral part of the Financial Statements

1 & 25

As per our report of even date

For and on behalf of the Board of Directors

For **SALARPURIA & PARTNERS**Chartered Accountants
Firm ICAI Reg. No. 302113E**J. K. Pachisia**
CFO**B. K. Bhartia**
Company Secretary**O. P. Dhanuka**
(DIN : 00049947)
Chairman &
Managing Director**Sulekha Dutta**
(DIN : 07114240)
Directors**Nihar Ranjan Nayak**
Partner
(Membership No. : 57076)Place : Kolkata
Date : 23.06.2021

Cash Flow Statement for the Year ended 31st March, 2021

CIN : L15421WB1980PLC032970

(Rs. in Lakhs)

PARTICULARS	For the Year ended 31.03.2021	For the Year ended 31.03.2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax & Extra-Ordinary Items	(3,801.58)	(2,409.96)
Adjustment for :		
Depreciation	512.81	515.38
Net Gain/Loss on Fair Valuation	(17.40)	(59.24)
Amortisation	5.80	5.80
Loss on Dispose of asset	-	3.14
Interest Expenses	1,757.59	1,481.02
Capital Subsidy	(2.57)	(2.57)
Unsecured loan Written off	732.75	-
Provision for doubtful claim	123.74	-
Sundry Balance Written Off	9.65	-
Sundry Balances Written Back	(154.70)	-
Liability written back	(64.26)	-
Interest Income	(9.43)	(7.58)
Operating Profit before Working Capital Changes	(907.60)	(474.02)
Movements In Working Capital :		
Increase/(Decrease) in Trade Payables	(6,376.45)	(398.80)
Increase/(Decrease) in Other Current Liabilities	(318.23)	235.98
(Increase)/ Decrease in Inventories	7,726.90	3,556.25
(Increase)/ Decrease in Trade Receivables	414.55	130.82
(Increase)/ Decrease in Loans	-	-
Increase/ (Decrease) in Provisions	76.70	44.32
Increase/ (Decrease) in Other Financial Assets	29.95	(183.51)
(Increase)/ Decrease in Other Financial Liabilities	(173.21)	233.61
(Increase)/Decrease in Other Non Current Assets	119.71	1.86
(Increase)/Decrease in Other Current Assets	149.31	47.25
Cash generated from/(used in) Operations	741.62	3,193.77
Direct Taxes Paid (Net)	0.71	(0.83)
Net Cash from Operating Activities (A)	742.32	3,192.94
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Investment in Bank Deposits	(20.73)	13.92
Sale of Property, Plant & Equipment and Intangible Assets	-	14.00
Interest Received	9.43	7.58
Purchase of Property, Plant & Equipment and Intangible Assets	(71.14)	(914.33)
Net Cash from Investing Activities (B)	(82.44)	(878.83)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Interest Paid	(353.91)	(1,508.70)
Proceeds/Repayment of Long Term Borrowings	-	21.22
Refund from Long Term Loans	-	-
Proceeds/(Repayment) of Short Term Borrowings	(341.31)	(949.15)
Net Cash from Financing Activities (C)	(695.22)	(2,436.63)
Net (Decrease)/ Increase in Cash and Cash Equivalents (A+B+C)	(35.34)	(122.52)
Cash and Cash Equivalents at the beginning of the year	62.23	184.75
Cash and Cash Equivalents at end of the year	26.89	62.23
Cash & Cash Equivalents :		
Balances with Bank		
Current Account	25.75	54.45
Cash-on-Hand	1.14	7.78
Total	26.89	62.23

Note : (a) Previous year's figures have been regrouped/recasted wherever necessary.
(b) The above cash flow has been prepared under "Indirect Method" as prescribed under Indian Accounting Standard 7 (Ind AS 7) "Statement of Cash Flows", notified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, and other accounting principles generally accepted in India.
(c) Balances with Bank includes Rs. 16.27 Lakhs (PY:- Rs. 16.27 Lakhs) with Bank of India, Sitamarhi Branch as a joint operation account with Sugarcane Department, Government of Bihar against the payable for RQVY-J.D.Agriculture, Patna.

As per our report of even date
For **SALARPURIA & PARTNERS**
Chartered Accountants
Firm ICAI Reg. No. 302113E
Nihar Ranjan Nayak
Partner
(Membership No. : 57076)

J. K. Pachisia
CFO

B. K. Bhartia
Company Secretary

O. P. Dhanuka
(DIN : 00049947)
Chairman &
Managing Director

Sulekha Dutta
(DIN : 07114240)
Directors

Place : Kolkata
Date : 23.06.2021

Statement of Changes in Equity for the year ended 31.03.2021

A) EQUITY SHARE CAPITAL

Rs. in Lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
At the beginning of the year	1,444.34	1,444.34
Issue of Equity share capital during the year	-	-
At the end of the year	1,444.34	1,444.34

B) OTHER EQUITY

Rs. in Lakhs

Particulars	Reserves & Surplus				Other Compre- hensive Income	Total Other Equity
	Capital Reserve	Securities Premium	Revaluation Surplus	Retained Earnings	Remeasurement of defined benefit plan	
Balance as at 1st April, 2020	8.43	1,703.05	7,991.98	(13,165.49)	(140.61)	(3,602.64)
Changes in equity during the year ended 31st March, 2021:						-
Profit/(Loss) for the year	-	-	-	(4,737.10)	(17.40)	(4,754.50)
Transfer from/to revaluation surplus/retained earnings	-	-	-	-	-	-
Transfer from/to other comprehensive income/retained earnings	-	-	-	-	-	-
Balance as at 31st March, 2021	8.43	1,703.05	7,991.98	(17,902.59)	(158.01)	(8,357.14)
Balance as at 1st April, 2019	8.43	1,703.05	7,991.98	(10,755.53)	(80.92)	(1,132.99)
Changes in equity during the year ended 31st March, 2020:						-
Profit/(Loss) for the year	-	-	-	(2,409.96)	(59.24)	(2,469.20)
Transfer from/to revaluation surplus/retained earnings	-	-	-	-	-	-
Transfer from/to other comprehensive income/retained earnings	-	-	-	-	-	-
Balance as at 31st March, 2020	8.43	1,703.05	7,991.98	(13,165.49)	(140.16)	(3,602.19)

As per our report of even date
For **SALARPURIA & PARTNERS**
Chartered Accountants
Firm ICAI Reg. No. 302113E
Nihar Ranjan Nayak
Partner
(Membership No. : 57076)

J. K. Pachisia
CFO

B. K. Bhartia
Company Secretary

O. P. Dhanuka
(DIN : 00049947)
Chairman &
Managing Director

Sulekha Dutta
(DIN : 07114240)
Directors

Place : Kolkata
Date : 23.06.2021

Notes to Financial Statements as at 31st March, 2021

NOTE 1(A) CORPORATE INFORMATION

Riga Sugar Co Ltd ("RSCL" or "the Company") is a public limited company incorporated and domiciled in India. The registered office of the Company is situated at 14, Netaji Subhas Road, 2nd Floor Kolkata– 700001, West Bengal, India.

The Company's shares are listed on the Bombay Stock Exchange Ltd. and The Calcutta Stock Exchange Ltd.

The Company's sugar factory is one of the oldest sugar factories in India. The principal activity of the Company is manufacturing of sugar.

Its allied business consists of :

- (a) Manufacturing and sale of Ethanol & Bio-Compost (in the name of Harabhara Fertilisers, Krishi Labh) ,and
- (b) Generation and Sale of Power

The financial statements are presented in Indian Rupee (Rs.) in Lakhs

NOTE 1(B) SIGNIFICANT ACCOUNTING POLICIES

i) Statement of Compliance with Ind AS

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from 1st April, 2017 . Accordingly, the financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are approved for issue by the Board of Directors has been considered in preparing these financial statements.

ii) Basis of Preparation

These financial statements have been prepared in accordance with Ind AS under the historical cost basis except for the following:

- i) Certain financial assets and financial liabilities - measured at fair value and
- ii) Defined benefits plan – plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration in exchange for goods and services.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The financial statements including notes thereon are presented in Indian Rupees ("Rupees" or "Rs." or "₹"), which is the Company's functional and presentation currency. All amounts disclosed in the financial statements including notes thereon have been rounded off to the nearest rupees in lakhs as per the requirement of Schedule III to the Act, unless stated otherwise.

iii) Revenue Recognition

Revenue is recognised to the extent it is probable that economic benefits would flow to the Company and the revenue can be reliably measured, regardless of when the revenue proceeds is received from customers.

Revenue is measured at the fair value of the consideration received/receivable taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

The specific recognition criteria for revenue recognition are as follows:

a. Sale of goods

Sale of goods is recognised at the time of transfer of substantial risk and rewards of ownership to the buyer for a consideration. It includes excise duty and cess and excludes sales tax/VAT,GST, trade discounts and rebates.

Notes to Financial Statements for the Year ended 31st March, 2021

b. Interest income

Interest income is included in "Other Income" in the Statement of Profit and Loss.

c. Insurance claims

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

d. All other incomes are accounted for on accrual basis.

iv) Expenses

All expenses are accounted for on accrual basis.

v) Property, plant and equipment (PPE) and Capital work-in-progress (CWIP)

- a. All Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an asset includes the purchase cost of materials, including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Interest on borrowings used to finance the construction of qualifying assets are capitalised as part of the cost of the asset until such time that the asset is ready for its intended use.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use, if any, is included in the cost of the respective asset if the recognition criteria for a provision is met.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

- b. Depreciation methods, estimated useful lives and residual value

Freehold land is not depreciated.

Depreciation on other items of PPE is provided on a straight-line basis to allocate their cost, net of their residual value over the estimated useful life of the respective asset as specified in Schedule II to the Companies Act, 2013, except where stated otherwise.

The estimated useful lives are determined based on assessment made by technical experts, in order to reflect the actual usage of the assets. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The estimated useful lives considered are as follows:

<u>Category</u>	<u>Useful life</u>
Buildings Factory	30 years
Buildings Non-Factory	60 years
Plant and equipment	25 years
Furniture and fixtures*	5 years
Vehicles	8 years
Computer and Data Processor	3 years

Notes to Financial Statements for the Year ended 31st March, 2021

* The Management believes that the useful life of Furniture & Fixtures best represents the period over which it is expected to be used. Hence the useful lives of these assets are different from the useful lives as prescribed under Schedule II of the Companies Act, 2013.

The residual value of an item of PPE is not more than 5% of the original cost of the respective asset.

The estimated useful lives, residual values and depreciation method are reviewed at-least at the end of each financial year and are adjusted, wherever appropriate.

d. Expenditure during construction period

Directly attributable expenditure (including finance costs relating to borrowed funds for construction or acquisition of fixed assets) incurred on projects under implementation are treated as Pre-operative expenses pending allocation to the assets and are shown under CWIP. CWIP is stated at the amount expended upto balance sheet date on assets or property, plant and equipment that are not yet ready for their intended use.

vi) Intangible assets

a. Recognition

An intangible asset shall be recognised if, and only if:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company; and
- the cost of the asset can be measured reliably.

b. Amortization methods, estimated useful lives and residual value

Intangible Assets are amortized on a straight-line basis over its estimated useful lives of ten years and are carried at cost less accumulated amortisation & impairment losses, if any.

The estimated useful lives, residual values and amortization method are reviewed at-least at the end of each financial year and are adjusted, wherever appropriate.

vii) Inventories

- a. Inventories (other than by-products and scraps) are valued at lower of cost and net realisable value after providing for obsolescence, if any.

Cost of inventory comprises purchase price, cost of conversion and other directly attributable costs that have been incurred in bringing the inventories to their respective present location and condition. Borrowing costs are not included in the value of inventories.

Net realisable value (NRV) is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

- b. By-products and scraps are valued at net realisable value.
- c. Biological Assets comprise Standing crops of Sugarcane. Biological Assets are measured at Fair Value less estimated costs to sell.

viii) Government Grants

Government grants related to revenue nature are recognized on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate, and are adjusted with the related expenditure.

Government grants related to PPE are treated as deferred income (included under non-current liabilities with current portion considered under current liabilities) and are recognized and credited in the Statement of Profit and Loss on a systematic and rational basis over the estimated useful life of the related asset and included under "Other Income".

If not related to a specific expenditure, it is taken as income and presented under "Other Income".

Notes to Financial Statements for the Year ended 31st March, 2021

ix) Borrowings Costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of such asset till such time that is required to complete and prepare the asset to get ready for its intended use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

x) Provisions, contingent liabilities and contingent assets

- a. A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are not recognised for future operating losses.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation as at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to provision is presented in the Statement of Profit and Loss, net of any reimbursement.

- b. A contingent liability is not recognised in the financial statements, however, is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

If it becomes probable that an outflow of future economic benefits will be required for an item dealt with as a contingent liability, a provision is recognized in the financial statements of the period (except in the extremely rare circumstances, where no reliable estimate can be made).

- c. A contingent asset is not recognised in the financial statements, however, is disclosed, where an inflow of economic benefits is probable.

When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

- d. Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance sheet date.

xi) Dividend payable

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividend are recorded as a liability on the date of declaration by the Company's Board of Directors. A corresponding amount is recognised directly in equity.

xii) Foreign currency transactions and translations

a. Functional and presentation currency

The items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ("the functional currency").

The financial statements are presented in Indian National Rupee (INR), which is the Company's functional as well as presentation currency.

b. Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency spot rate prevailing at the date the transaction first qualifies for recognition.

Monetary assets and liabilities related to foreign currency transactions remaining outstanding at the balance sheet date are

Notes to Financial Statements for the Year ended 31st March, 2021

translated at the functional currency spot rate of exchange prevailing at the balance sheet date. Any income or expense arising on account of foreign exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction.

xiii) Employee benefits

a. Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.

b. Defined contribution plans

Contributions under the Provident Fund benefit Plan are being deposited to the Government administered/trust formed exclusively for maintaining the Provident fund related activities of the company, which is an exempted organization under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and charged to Profit and Loss on accrual basis.

c. Defined benefit plans

The liability or asset recognised in the Balance sheet in respect of gratuity is the present value of the defined benefit obligation as at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually by external actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash flows by reference to the market yields as at the balance sheet date on government bonds that have terms approximating to the terms of the related obligation.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income ("OCI") in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements, and
- Net interest expense or income

d) Compensated absences

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using projected unit credit method for the unused entitlement that has accumulated as at the balance sheet date. The benefits are discounted using the market yields as at the end of the balance sheet date that has terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

Notes to Financial Statements for the Year ended 31st March, 2021

xiv) Taxes

Income tax expense comprises current tax and deferred tax and is recognized in the Statement of Profit and Loss, except to the extent it relates to items directly recognized in Equity or in OCI.

a) Current Income Tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws that are enacted or substantively enacted by the balance sheet date and applicable for the period.

Current tax items in correlation to the underlying transaction relating to OCI and Equity are recognized in OCI and in Equity respectively.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

b) Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws to the extent it is likely to give future economic benefits in the form of availability to set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off deferred tax assets against deferred tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

xv) Prior Period Items

Prior Period Income/expenses are accounted under the respective heads. Material items, if any, are disclosed separately by way of a note, except the items which are necessitated by circumstances although related to prior period but are determined in current period.

xvi) Earnings per Share

- a. Basic earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares outstanding during the year.

Notes to Financial Statements for the Year ended 31st March, 2021

- b. Diluted earnings per share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are determined as at the end of each period presented. Dilutive potential equity shares are determined independently for each period presented.

xvii) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director who makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparing and presenting the Financial Statements of the Company as a whole. In addition, the following specific accounting policies have been followed for segment reporting:

- a. Segment revenue includes sales and other income directly identifiable with/allocable to the segment including inter segment transfers.

Inter segment transfers are accounted for based on the transaction price agreed to between the segments which is at cost in case of transfer of Company's intermediate and final products and estimated realisable value in case of by-products.

- b. Revenue, expenses, assets and liabilities are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on direct and/or on a reasonable basis, have been disclosed as "Unallocable".

xviii) Cash and cash equivalents

Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand and balance with banks on current accounts.

For the purpose of the Cash Flow Statement, Cash and cash equivalents consist of Cash and cash equivalents, as defined above and net of outstanding book overdrafts as they are considered an integral part of the Company's cash management.

xix) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xx) Financial Instruments

Financial assets and financial liabilities are recognised in the Balance sheet when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

- a. "Financial Assets "Initial recognition and measurement" All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. The financial assets include trade and other receivables, loans and advances, and cash and bank balances. "De-recognition" The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset."

- b. "Financial liabilities "Initial recognition and measurement" All financial liabilities are recognised initially at fair value and, in the case of financial liabilities classified at amortised cost, net of directly attributable transaction costs. "The financial liabilities include trade and other payables, loans and borrowings including bank overdrafts etc. "De-recognition" A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires."

Notes to Financial Statements for the Year ended 31st March, 2021

xxi) Use of critical estimates, judgements and assumptions

The preparation of the financial statements requires the use of accounting estimates, which, by definition would seldom equal the actual results. Management also needs to exercise judgement and make certain assumptions in applying the Company's accounting policies and preparation of financial statements.

The use of such estimates, judgements and assumptions affect the reported amounts of revenue, expenses, assets and liabilities including the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the future periods.

Estimates and judgements are continuously evaluated. They are based on historical experience and other factors including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below.

The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

In the process of applying the Company's accounting policies, management has made the following judgements, which have most significant effect on the amounts recognised in the financial statements.

Notes to Financial Statements as at 31st March, 2021

Rs. in Lakhs

NOTE 2 : PROPERTY, PLANT & EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Particulars	PROPERTY, PLANT & EQUIPMENT						Capital Work-in Progress
	Freehold Land	Building	Plant & Machinery	Furniture, Fixtures & Equipments	Vehicles	Total	
Gross block							
Gross Carrying Amount As At 1st April, 2020	8,069.60	971.56	8,763.57	31.97	31.23	17,867.93	21.55
Additions during the year	-	-	91.19	1.50	-	92.69	-
Reclassification made during the year	-	-	-	-	-	-	-
Disposals/deductions during the year	-	-	-	2.65	-	2.65	21.55
Gross carrying amount as at 31st March, 2021	8,069.60	971.56	8,854.76	30.82	31.23	17,957.95	-
Depreciation/amortisation							
Accumulated depreciation/amortisation as at 1st April, 2020	-	163.93	1,649.33	29.08	23.53	1,865.87	-
Depreciation/amortisation for the year	-	41.33	467.40	1.62	2.45	512.81	-
Reclassification made during the year	-	-	-	-	-	-	-
Disposals/deductions during the year	-	-	-	2.65	-	2.65	-
Accumulated depreciation as at 31st March, 2021	-	205.26	2,116.73	28.05	25.98	2,376.04	-
Net carrying amount as at 31st March, 2021	8,069.60	766.30	6,738.03	2.77	5.25	15,581.91	-
Gross block							
Gross Carrying Amount As At 1st April, 2019	8,069.60	971.56	7,696.25	29.59	77.70	16,844.70	176.92
Additions during the year	-	-	1,067.32	2.38	-	1,069.70	-
Reclassification made during the year	-	-	-	-	-	-	-
Disposals/deductions during the year	-	-	-	-	46.47	46.47	155.37
Gross carrying amount as at 31st March, 2020	8,069.60	971.56	8,763.57	31.97	31.23	17,867.93	21.55
Depreciation/amortisation							
Accumulated depreciation/amortisation as at 1st April, 2019	-	122.46	1,184.42	27.16	45.78	1,379.82	-
Depreciation/amortisation for the year	-	41.47	464.91	1.92	7.08	515.38	-
Reclassification made during the year	-	-	-	-	-	-	-
Disposals/deductions during the year	-	-	-	-	29.33	29.33	-
Accumulated depreciation as at 31st March, 2020	-	163.93	1,649.33	29.08	23.53	1,865.87	-
Net carrying amount as at 31st March, 2020	8,069.60	807.63	7,114.24	2.89	7.70	16,002.05	21.55

NOTES:

The finance costs on specific borrowings capitalised during the year amounted to Rs. NIL (P.Y. Rs. NIL).

Management assessed useful life of Certain Type of Plant & Machinery used for the Production of DAP Fertiliser and charged the depreciation on remaining useful life as assessed so that extra depreciation charged during the year Rs. 12.30 lakhs. The useful life taken lower than the prescribed threshold useful life as specified in Schedule II of The Companies Act, 2013 in respect of Plant & Machinery.

Notes to Financial Statements as at 31st March, 2021

Rs. in Lakhs

Note : 3 OTHER INTANGIBLE ASSETS	Software Development	Total
Gross block		
Gross carrying amount as at 1st April, 2020	52.14	52.14
Additions during the year	-	-
Disposals/deductions during the year	-	-
Gross carrying amount as at 31st March, 2021	52.14	52.14
Amortisation	-	
Accumulated amortisation as at 1st April, 2020	19.45	19.45
Amortisation for the year	5.80	5.80
Disposals/deductions during the year	-	-
Accumulated amortisation as at 31st March, 2021	25.25	25.25
Net carrying amount as at 31st March, 2021	26.89	26.89
Gross block	-	-
Gross carrying amount as at 1st April, 2019	52.14	52.14
Additions during the year	-	-
Disposals/deductions during the year	-	-
Gross carrying amount as at 31st March, 2020	52.14	52.14
Amortisation	-	
Accumulated amortisation as at 1st April, 2020	13.65	13.65
Amortisation for the year	5.80	5.80
Disposals/deductions during the year	-	-
Accumulated amortisation as at 31st March, 2020	19.45	19.45
Net carrying amount as at 31st March, 2020	32.69	32.69

The Plant and Machineries of Harabhara Fertiliser Unit has become Impaired as not used for last 8 years. As such its carrying value is taken at Residual Value by depreciating balance amount.

Notes to Financial Statements as at 31st March, 2021

Rs. in Lakhs

Note : 4(a) LOANS (Carried at amortised cost)	As at 31.03.2021	As at 31.03.2020
Loan Receivable considered good - Secured	-	-
Loan Receivable considered good - Unsecured	-	-
Loan to Related Party		
- DG Vitta Vinimay & Properties Limited	-	-
Loan Receivable which have significant increase in Credit Risk	-	-
Loan Receivable - credit impaired	-	-
Unsecured, Considered Good	-	-
Total	-	-

Note : 4(b) OTHER FINANCIAL ASSETS (Unsecured, Considered good)	As at 31.03.2021	As at 31.03.2020
Bank Deposits with Maturity more than 12 months(Refer Note No. 8c) (Margin money against Bank Guarantee)	137.83	10.28
Buffer Stock Subsidy (Net off Provision of Rs. 123.74 Lakhs (PY: -Nil))	88.41	242.11
Government Grants*	493.45	622.61
Total	719.69	874.99

*interest subvention on KCC Loan claimed for the year financial year 2015-16 reversed for Rs. 161.29 lakhs during the financial year (PY Rs. NIL)

Note : 5 DEFERRED TAX ASSET (NET)	As at 31.03.2021	As at 31.03.2020
Deferred Tax Asset (Net)	-	935.52
Total	-	935.52

Note : 6 OTHER NON CURRENT ASSETS (Unsecured, Considered good unless otherwise stated)	As at 31.03.2021	As at 31.03.2020
Balances with Government Authorities	41.91	48.44
Receivable from Government	387.47	500.65
Security Deposit	2.88	2.88
Total	432.26	551.97

Notes to Financial Statements as at 31st March, 2021

Rs. in Lakhs

Note : 7 INVENTORIES (Valued at Cost or NRV whichever is lower)	As at 31.03.2021	As at 31.03.2020
Raw Material	38.31	38.31
Add:- Inter Unit Transfer	86.25	-
	124.56	38.31
Stock-in-Process*	-	58.80
Finished Goods**	31.79	7,529.93
By- Products***	58.08	142.67
Stores & Spares (Net off value written down by Rs. 143.67 Lakhs (PY: - Nil))	457.72	629.35
Total	672.15	8,399.05

***Details of Stock-in-Process:**

Sugar	-	58.80
Ethanol	-	-
	<u>-</u>	<u>58.80</u>

****Details of Finished Goods:**

Sugar	-	6,791.19
Ethanol	13.11	734.62
Fertiliser	18.68	4.11
	<u>31.79</u>	<u>7,529.93</u>

*****Details of By-Products:**

Molasses	-	88.81
Bagassee	58.08	53.86
	<u>58.08</u>	<u>142.67</u>

Note : 8(a) TRADE RECEIVABLES (Carried at Amortised cost)	As at 31.03.2021	As at 31.03.2020
Trade Receivable considered goods -Secured	-	-
Trade Receivable considered goods -Unsecured	-	527.74
Trade Receivable which has significant increase in Credit Risk (Unsecured)* (Net off allowance for bad and doubtful debt of Rs. 100.24 Lakhs (PY: -Nil))	113.19	-
Trade Receivable -credit impaired	-	-
	113.19	527.74
Total	113.19	527.74
* Refer Note 25(14)		

Note : 8(b) CASH AND CASHEQUIVALENT	As at 31.03.2021	As at 31.03.2020
Balances with Bank*	25.75	54.45
Cash on Hand	1.14	7.78
Total	26.89	62.23

* Balances with Bank includes Rs. 16.27 Lakhs (PY:- Rs. 16.27 Lakhs) with Bank of India, Sitamarhi Branch as a joint operation account with Sugarcane Department, Government of Bihar against the payable for RKVY-J.D.Agriculture, Patna.

Notes to Financial Statements as at 31st March, 2021

Rs. in Lakhs

Note : 8(c) BANK BALANCES OTHER THAN 8(b) ABOVE	As at 31.03.2021	As at 31.03.2020
Bank Deposits with maturity less than 12 months (Margin money against Bank Guarantee)*	20.73	127.54
Total	20.73	127.54

Note : 9 CURRENT TAX ASSET	As at 31.03.2021	As at 31.03.2020
Unsecured, Considered good Advance payment of Income Tax	13.37	14.08
Total	13.37	14.08

Note : 10 OTHER CURRENT ASSETS (Unsecured, considered good)	As at 31.03.2021	As at 31.03.2020
Advances other than Capital Advances		
Prepaid Expenses	32.11	34.42
Advance to Cane Growers	16.42	80.18
Advance to staff	2.72	4.78
Advance to Suppliers (Net off Credit impairment of CY:-`16.17 Lacs, PY:-`72.23 lacs)	38.10	116.05
Other Advances*	27.16	40.04
Total	116.51	275.46

*Includes CY:- Rs. 4.68 Lacs (PY:- Rs. 12.02 Lacs) Receivables from The Belsund Sugar Industries Limited (Related Party).

Note : 11(A) EQUITY SHARE CAPITAL	Nos.	As at 31.03.2021	Nos.	As at 31.03.2020
(A) Equity Share Capital				
Authorised Shares				
Equity Shares of Rs. 10/- each	1,99,00,000	1,990.00	1,99,00,000	1,990.00
12% Cumulative Redeemable Preference shares of Rs. 10/- each	1,00,000	10.00	1,00,000	10.00
(B) Issued, Subscribed Shares & Paid-up Shares				
Issued and Subscribed :				
Equity Shares of Rs. 10/- each	1,44,77,105	1,447.71	1,44,77,105	1,447.71
Paid- Up :				
Equity Shares of Rs. 10/- each	1,44,43,405	1,444.34	1,44,43,405	1,444.34
Total		1,444.34		1,444.34

Notes to Financial Statements as at 31st March, 2021

a. Reconciliation of shares outstanding at the beginning & at the end of the reporting period :

Rs. in Lakhs

Equity Shares	Nos.	As at 31.03.2021	Nos.	As at 31.03.2020
At the beginning of the period	14,443,405	1,444.34	14,443,405	1,444.34
Issued during the period	-	-	-	-
Outstanding at the end of the period	14,443,405	1,444.34	14,443,405	1,444.34

b. Terms/Rights attached to Equity Shares

The Company has one Class of Shares issued, Equity Shares having a par value of ` 10/- each and no special right and/or preference are attached to such shares. Each Equity Shareholder is eligible for one vote per share held. The dividend proposed, if any by the Board of Directors is subject to approval of the shareholders at the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity Shareholders are eligible to receive the assets of the Company after distribution of all preferential amounts, in proportion of their shareholding.

c. The Company does not have any Holding Company, ultimate Holding Company or Subsidiary Company.

d. Details of Shareholders holding more than 5% of Shares in the Company :

Particulars	Nos.	As at 31.03.2021	Nos.	As at 31.03.2020
D G Vitta Vinimay & Properties Limited	7,098,484.00	49.15%	7,098,484.00	49.15%
The Belsund Sugar and Industries Ltd	2,791,326.00	19.33%	2,791,326.00	19.33%

e. No Shares reserved for issue under options and contract/commitments for the sale of shares/disinvestment including the terms and amounts.

f. For the period of five years immediately preceding the date as at the Balance Sheet is prepared:

No Shares have been allotted as fully paid up pursuant to contract(s) without payment being received in cash.

No Shares have been allotted as fully paid up by way of Bonus Shares.

No Shares has been bought back by the Company.

g. There is no unpaid call.

h. Amount of forfeited equity shares :

Particulars	As at 31.03.2021	As at 31.03.2020
(33,700) shares of Rs. 10 each on which Rs. 5 was paid up)	1.69	1.69

Notes to Financial Statements as at 31st March, 2021

Rs. in Lakhs

Note : 11(B) : OTHER EQUITY	As at 31.03.2021		As at 31.03.2020	
(a) Capital Reserve				
Opening balance	8.43		8.43	
Addition/Deduction during the year	-		-	
Closing Balance		8.43		8.43
(b) Securities Premium				
Opening balance	1,703.05		1,703.05	
Addition/Deduction during the year	-		-	
Closing Balance		1,703.05		1,703.05
(c) Revaluation Surplus				
Opening balance	7,991.98		7,991.98	
Addition/Deduction during the year	-		-	
Closing Balance		7,991.98		7,991.98
(d) Retained Earnings				
Opening balance	(13,165.49)		(10,755.53)	
Profit/(Loss) during the year	(4,737.10)		(2,409.96)	
Closing Balance		(17,902.59)		(13,165.49)
(e) OCI (Remeasurement of Defined Benefit Plan)				
Opening balance	(140.15)		(80.92)	
Addition/Deduction during the year	(17.40)		(59.24)	
Closing Balance		(157.56)		(140.16)
TOTAL OTHER EQUITY		(8,356.69)		(3,602.19)

Nature and Purpose of Reserve**i) Capital Reserve**

Capital Reserve have arised on the account of Share Forfeiture.

ii) Revaluation Reserve

Revaluation Reserve have arised on the account of revaluation of Land.

iii) Securities Premium

Securities Premium is the premium on issue of equity shares. The reserve will be utilised in accordance with the provision of the Act.

iv) Retained Earnings

Retained Earnings is the present accumulated profits/(losses) earned the Company and remaining undistributed as on date.

v) FVTOCI Reserve

OCI have arised on the account of remasurement of defined benefit plan.

Notes to Financial Statements as at 31st March, 2021

Rs. in Lakhs

Note 12 : FINANCIAL LIABILITIES	As at 31.03.2021		As at 31.03.2020	
(A) BORROWINGS				
(i) Non-Current				
Carried at amortised cost				
Term Loans				
From Banks				
Secured				
Rupee Loans				
Bank of India (BOI)	811.69		1,041.69	
Union Bank of India (UBI)	214.24		251.24	
Less : Transferred to Current Borrowings [Note No. : 14]	(1,025.93)	-	(1,292.93)	-
From entities other than banks				
Secured				
Rupee Loans				
*Government of India, Sugar Development Fund (SDF)	997.07		974.09	-
Less- Transferred to current Borrowing [Note No :14]	(997.07)	-	(974.09)	-
Total	-		-	

*Include Interest due Rs. 194.57 lakhs (PY- Rs. 171.59 lakhs)

a. Nature of Security, Terms of Repayment etc. (As per Sanction Letter) :

Term Loans from Bank	Rate of Interest	Repayment Terms
Bank of India (BOI) :		
Bihar Soft Loan	14.90%	Quarterly Repayment of Rs. 62.90 Lakhs from June, 2019 to June, 2021
Term Loan	14.90%	Quarterly Repayment of Rs. 34.70 Lakhs from June, 2019 to June, 2022
Union Bank of India (BOI) :		
Bihar Soft Loan	12.15%	Quarterly Repayment of Rs. 21.00 Lakhs from June, 2018 to June, 2021
Term Loan	13.45%	Quarterly Repayment of Rs. 11.55 Lakhs from June, 2018 to June, 2022
Sugar Development Fund :	<p>Normal Interest : 6% per annum from the date of release of amount to Industrial Finance Corporation of India, New Delhi which was reduced to 4% w.e.f. 20.10.2014.</p> <p>Penal Interest in case of Default: Additional @ 2.5% per annum over and above normal rate of 6% per annum.</p>	<p>Repayment of Principal and payment of interest thereon to commence after the expiry of one year of the repayment of ICICI loan and interest thereon or on the expiry of a period of five years reckoned from the date of disbursement of term Loan to ICICI whichever is earlier, in accordance with the provisions of Rule 16 (9) (iv) of the Sugar Development Fund Rules as amended from time to time, in annual installments not exceeding five in number. The Company has not complied terms of repayment.</p>
	<p>The IFCI Ltd. has filed Recovery Suit on behalf of Sugar Development Fund (SDF) before Debt Recovery Tribunal (Patna) for Rs. 19.13 Cr. The company has disputed the amount at Rs. 1257.88 Lacs as at 31st March 2021 and has filed a Reply. The matter is subjudice. As the loan demanded for the payment so that transferred to Current Borrowings.</p>	

Notes to Financial Statements as at 31st March, 2021

Security	Particulars
Working Capital from Bank of India and Union Bank of India for Sugar & Distillery Division	1st pari-passu charge on current assets of the company including Book Debts.
Term Loans under consortium from Bank of India & Union Bank Of India	1st pari-passu charge on fixed assets of the company.
Collateral for Working Capital (Sugar Division)	1st pari-passu charge on block of assets of Sugar to the extent of Rs. 5.44 crores for part of Working Capital Limit sanctioned for Sugar Division. 3rd pari passu charge on fixed assets (Property, Plant & Equipment) of Sugar Division for balance amount.
Collateral for Working Capital (Distillery Division)	2nd pari-passu charge on fixed assets of Distillery division.
Sugar Development Fund	2nd Charge on Fixed Assets of Sugar Division.

b) Details of Guarantors :

Personal guarantee of :

- Mr. Om Prakash Dhanuka (Director of the Company)
- Smt. Meera Dhanuka (Wife of Director)- restricted to the valuation of residential property at New Delhi offered as collateral security for the Distillery Term Loan and Bihar Soft Loan.

Corporate guarantee of :

- The Belsund Sugar & Industries Ltd
 - DG Vitta Vinimay and Properties Limited
- c) The Government of India Sugar Development Fund Loan is secured against Second charge on its Fixed Assets (Property, Plant & Equipment) and movable assets and the said loan is irregular in repayment.
- d) The Term Loans & Working Capital Loans from Bank of India & Union Bank of India became Non Performing assets (NPA) w.e.f 30.09.2018, accordingly Banks recalled their credit facility and called back their loans for repayment. Subsequently also served notices u/s 13(2) of SARFAESI Act, 2002 . However after negotiation the Banks has allowed "Holding on Operation" upto 30th September 2021 subject to Terms & Conditions therein.
- e) Due to the NPA of the loans, the Banks have not confirmed the interest charged on Loans w.e.f 30.09.2018 for that the Company has provided interest for relevant period , so that balance of Loans are subject to confirmation & reconciliation there of.

Rs. in Lakhs

Note 12(b) : FINANCIAL LIABILITIES	As at 31.03.2021	As at 31.03.2020
(A) TRADE PAYABLES		
Current		
Trade Payables		
Total Outstanding Dues to Micro and Small Enterprises *		
Total Outstanding dues of Creditors other than Micro Enterprise & Small Enterprises* "Refer Note 25(16)"	12,093.06	15,793.95
Total	12,093.06	15,793.95
Non-Current	-	-
Total	-	-

* There are no Micro, Small and Medium Enterprises to which the company owes dues as no parties claim to be registered as a Micro, Small and Medium Enterprises and above Trade Payable is net off Rs. NIL (P.Y. Rs. 2425 Lakhs) assigned to The Belsund Sugar & Industries Ltd.

Notes to Financial Statements as at 31st March, 2021

Rs. in Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year (but within due date as per the MSMED Act, 2006).	NIL	NIL
The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	NIL	NIL
The amount of interest due and payable for the period of delay in making payment (where the principal has been paid beyond the appointed day during the year but interest under the MSMED Act, 2006 not paid);	NIL	NIL
The amount of interest accrued and remaining unpaid at the end of accounting year.	NIL	NIL
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	NIL	NIL

Note 13 : LONG TERM PROVISIONS	As at 31.03.2021		As at 31.03.2020	
Provision for Employee Benefit				
- Provision for Gratuity	486.29		484.02	
- Provision for Leave Encashment	30.18	516.47	26.33	510.35
Total		516.47		510.35

Note 14(a) : FINANCIAL LIABILITIES	As at 31.03.2021		As at 31.03.2020	
(A) BORROWINGS				
Carried at amortised cost				
From Banks (Holding on Operation)				
Rupee Loan (Secured) (Refer Note 12(d))				
Bank of India (BOI)	811.69		1,041.69	
Union Bank of India(UBI)	214.24	1,025.93	251.24	1,292.93
Working Capital Loan (Secured) (Refer Note 12(e))				
Bank of India (BOI)	5,431.39		5,296.88	
Union Bank of India(UBI)	1,409.41	6,840.80	1,618.22	6,915.10
Government of India, Sugar Development Fund (SDF) [Refer Note 12(c)]	997.07		974.09	
From Other Parties (Payable on Demand)				
Loan From Related Parties (Unsecured) *	-		1,692.25	
Loans From Body Corporates (Unsecured)	982.75	982.75	982.75	2,675.00
Total		9,846.54		11,857.12

* Loans from Bodies Corporates taken bearing the Interest rate 9.5% P.A to 12% P.A. One of the party has filed an Application under section 7 of Insolvency and Bankruptcy code for initiating the Corporate Insolvency Resolution Process(CIRP) with NCLT Kolkata Bench, the matter is Subjudice.

Notes to Financial Statements as at 31st March, 2021

Rs. in Lakhs

*Details of Loan from Related Parties	As at 31.03.2021	As at 31.03.2020
The Belsund Sugar & Industries Ltd -		1,692.25

Note 14(b) : FINANCIAL LIABILITIES	As at 31.03.2021		As at 31.03.2020	
(B) OTHER FINANCIAL LIABILITIES				
Carried at amortised cost				
Interest Payable	1,365.76		429.43	
Security Deposit	85.52		94.02	
Liability for Expenses	91.03		125.47	
Commission Payable	172.54		172.54	
Book Bank overdraft	20.52		-	
Payable to Employees	100.41	1,835.79	405.52	1,226.97
Total		1,835.79		1,226.97

Note 15(a) : OTHER NON CURRENT LIABILITIES	As at 31.03.2021		As at 31.03.2020	
Deferred Income *(Refer Note 25(2))	47.35		49.92	
Less : Transferred to Other Current Liability	(2.57)		(2.57)	
Total		44.78		47.35
*Subsidy against Property Plant & Equipment.				

Note 15(b) : OTHER CURRENT LIABILITIES	As at 31.03.2021		As at 31.03.2020	
Advance from Customers	-		197.14	
Current Maturity of Deferred Income	2.57		2.57	
Statutory Dues	13.76		92.88	
Others Payable*	66.57	82.90	108.54	401.13
Total		82.90		401.13

*Includes CY:- Rs. 0.57 Lacs (PY:- Rs. NIL) Payable to The Belsund Sugar Industries Limited (Related Party)

Note 16 : SHORT TERM PROVISIONS	As at 31.03.2021		As at 31.03.2020	
Provision for Employee Benefits (Refer Note 25(5))				
– Provision for Gratuity	204.27		134.28	
– Provision for Leave Encashment	12.15	216.42	11.56	145.84
Total		216.42		145.84

Notes to Financial Statements as at 31st March, 2021

Rs. in Lakhs

Note 17 : REVENUE FROM OPERATIONS	For the Year Ended 31.03.2021		For the Year Ended 31.03.2020	
A) Sale of goods				
Sugar	6,129.84		12,569.26	
Molasses	86.25		746.90	
Ethanol	1,143.01		2,558.35	
Fertilisers	31.99		62.01	
Power	-		123.60	
Less: Inter unit sale of Molasses	(86.25)	7,304.83	(746.90)	15,313.22
B) Other operating revenue				
Government Assistance*	609.33	609.33	-	-
Total		7,914.16		15,313.22

*Government assistance for Export of Rs. 609.33 lacs/- (PY:- Rs. NIL) against Sugar export of Rs. 1358.86 lacs/- (PY:- Rs. NIL) [Refer note 25(2)(iii)]

Note 18 : OTHER INCOME	For the Year Ended 31.03.2021		For the Year Ended 31.03.2020	
(a) Interest Income				
-Deposit with banks and others	9.43		7.58	
-On Cane Advance given to Cane Growers	-		-	
-On Inter Corporate deposits	-		-	
-On Income Tax Refund	-	9.43	-	7.58
(b) Other Non Operating Income				
-Insurance claims	48.08		8.26	
-Sundry Balances Written Back*	154.70		93.37	
-Deferred Income (Refer Note 15(b))	2.57		2.57	
-Rent Received	9.33		10.48	
-Buffer Stock Claim	59.18		179.90	
-Refund of State excise duty	126.12		-	
-Provision and Liability written back	120.31		-	
-Miscellaneous Receipt	14.64	534.94	92.14	386.72
Total		544.37		394.29

*Includes Rs. 92.86 lacs/- (PY:- Rs. NIL) Payable to Workers were written back.[Refer Note-25 (11)]

Note 19 : COST OF MATERIALS CONSUMED	For the Year Ended 31.03.2021		For the Year Ended 31.03.2020	
Sugarcane	38.66		9,283.23	
Molasses	-		925.10	
Less: Inter unit Purchase of Molasses	-	38.66	(746.90)	9,461.43
Total		38.66		9,461.43

Notes to Financial Statements for the Year ended 31st March, 2021

Rs. in Lakhs

Note 20 : CHANGES IN INVENTORIES OF FINISHED GOODS BY PRODUCTS & WORK IN PROGRESS	For the Year Ended 31.03.2021		For the Year Ended 31.03.2020	
Stock at the Beginning of the Year				
Finished Goods*	7,529.93		10,438.36	
Stock-in-Process**	58.80		252.71	
By Product***	56.42	7,645.15	497.98	11,189.05
Total (A)		7,645.15		11,189.05
Stock at the End of the year				
Finished Goods*	31.79		7,529.93	
Stock-in-Process**	-		58.80	
By Product***	58.08	89.87	142.67	7,731.40
Total (B)		89.87		7,731.40
Changes in inventories of finished goods, by-products and work-in-progress (A-B)		7,555.28		3,457.65
Less: Excise Duty on Stock		-		-
(Increase)/ Decrease		7,555.28		3,457.65
*Details of Finished Goods				
Opening Stock				
Sugar	6,791.19		10,149.10	
Ethanol	734.62		213.90	
Fertiliser	4.11	7,529.93	75.36	10,438.36
Closing Stock				
Sugar	-		6,791.19	
Ethanol	13.11		734.62	
Fertiliser	18.68	31.79	4.11	7,529.93
**Details of Stock-in-Process				
Opening Stock				
Sugar	58.80		252.71	
Ethanol	-	58.80	-	252.71
Closing Stock				
Sugar	-		58.80	
Ethanol	-	-	58.80	
***Details of By Products				
Opening Stock				
Molasses	88.81		177.99	
Less - Inter unit Transfer	(86.25)		-	
Bagasse	53.86	56.42	319.99	497.98
Closing Stock				
Molasses	-		88.81	
Bagasse	58.08	58.08	53.86	142.67

Notes to Financial Statements for the Year ended 31st March, 2021

Rs. in Lakhs

Note 21 : EMPLOYEE BENEFITS EXPENSE	For the Year Ended 31.03.2021		For the Year Ended 31.03.2020	
Salary, Wages, Bonus & Allowances	557.31		1,433.77	
Contribution to Provident Fund & Other Funds	20.87		99.91	
Gratuity	71.89		67.53	
Staff Welfare Expenses	16.36	666.43	32.40	1,633.61
Total		666.43		1,633.61

Note 22 : FINANCE COSTS	For the Year Ended 31.03.2021		For the Year Ended 31.03.2020	
Interest*	1,756.96		1,479.34	
Bank Commission	0.63	1,757.59	1.68	1,481.02
Total		1,757.59		1,481.02

*Includes interest subvention on Kisan Credit Card (KCC) Loan claimed for the financial year 2015-16 now reversed for Rs. 161.29 lakhs due to non-servicing of debt on time.

Note 23 : DEPRECIATION & AMORTISATION EXPENSE	For the Year Ended 31.03.2021		For the Year Ended 31.03.2020	
Depreciation on Property, Plant & Equipment	512.81		515.38	
Amortisation of Intangible Assets	5.80	518.61	5.80	521.18
Total		518.61		521.18

Note 24 : OTHER EXPENSES	For the Year Ended 31.03.2021		For the Year Ended 31.03.2020	
Manufacturing expenses				
Store, Chemicals and Packing Materials- Indigenous	11.20		262.25	
Power, Fuel and Water	58.52		226.39	
Repairs to buildings	22.38		26.90	
Repairs to machinery	199.73		446.99	
Processing Expenses & Ferti- irrigation expenses	23.32		52.39	
Pollution Control Expenses	19.18		38.77	
Co-generation Expenses	0.09	334.41	11.57	1,065.26
Selling & Distribution Expenses				
Commission & Discount	30.55		30.18	
Selling Expenses	31.25	61.80	83.33	113.51
Establishment Expenses				
Rent	20.25		20.75	
Insurance	90.30		79.00	
Cost Audit Fee	0.90		0.90	
Director's Fee	1.00		0.84	
Sundry Balance Written Off	9.65		11.74	
Rates and taxes, excluding taxes on income	3.04		9.25	
Loss on Disposal of Property Plant & Equipment	-		3.14	
Allowance for bad and doubtful debts [Refer Note 25(14)]	100.24		72.23	
Written down value of stores and spares	143.67		-	
Provision for Doubtful claims [Refer Note-25 (10)]	123.74		-	
Miscellaneous expenses	96.74	589.54	177.79	375.64
Unsecured loan Written Off [Refer Note-25 (12)]	1,506.08		-	
Less- Provision Written back for Unsecured loan	(773.33)	732.75	-	-
Payments to auditor				
As auditor for statutory audit	2.25		2.00	
For Tax Audit	0.60		0.60	
For limited Review	1.25		1.95	
For other services	0.95	5.05	3.64	8.19
Total		1,723.55		1,562.59

Notes to Financial Statements for the Year ended 31st March, 2021

25. OTHERNOTES

1) Contingent liabilities and commitments (to the extent not provided for) :

Rs. in Lakhs

a) Contingent Liabilities :

Particulars	Period	Forum	As at 31.03.2021	As at 31.03.2020
Sugar Development Fund Loan to the extent not acknowledged		Debt Recovery Tribunal, Patna	1,257.88	1,101.01
Employees's State Insurance demand - under appeal	2013-14 to 2017-18	Employee State Insurance Court	2.30	2.30
Claims against the Company not acknowledged as debt:-				
Central Government Demand - Under LSPEF Act			47.67	47.67
Central Government Demand - Under LSPEF Act		Hon'ble Calcutta High Court	175.73	175.73
Bank Guarantee (against which Margin money of Rs.158.56lakhs (PY:-Rs.137.82lakhs))			112.09	214.13
Central Excise Duty Demand - Under Appeal	2013-14	CESTAT, Kolkata	-	4.78
Sales Tax Demand - Under Appeal		2019-10 to 2013-14 Commercial Tax Tribunal, Patna	488.02	488.02
Overtime Wages		Labour Resources Department- Government of Bihar	92.86	-
State Excise Duty	2015-2017	Hon'ble Patna High Court	480.55	480.55

b) Capital Commitments :

Particulars	As at 31.03.2021	As at 31.03.2020
Capital Commitments to be excetuted	-	-

c) The Company has not recognised under protest certain Interest charged in respect of SDF Loan as per its calculation in respect of Penal Interest, Compound Interest etc. amounting to Rs. 1257.88 Lakhs (P.Y. Rs. 1101.01 Lakhs).

2) The Company is eligible to receive government grants by way of cane price subsidy, interest subvention on certain term loans and other government grants. Accordingly, the Company has recognised these government grants in the following manner:

Sl. No.	Particulars	Treatment in Accounts	2020-21	2019-20
Revenue related to Government Grants:-				
i)	Cane Price Subsidy (Refer Note (a) below)	Deducted from cost of materials consumed	-	152.06
ii)	Interest on term loans	Deducted from interest expenses on long term borrowings	32.14	65.80
iii)	Government assistance for Export	Included in Other operating revenue	609.33	-
iv)	Capital Subsidy against Fixed assets	Received During the year Balance brought 52.49 (previous year 55.06) less charged to Statement of profit and loss 2.57 (previous year 2.57) shown as non current liability 47.35 (previous year 49.92) & current liability 2.57 (previous year 2.57)	NIL	NIL

Notes: (a) Cane price subsidy of Rs. 12.50 per quintal of cane paid by the State Government for the sugar season 2018-19 related to Financial year 2019-20.

(b) Government Assistance on Export of Rs. 1044.79 per quintal of Sugar paid by the Central Government for the Financial year 2020-21

Notes to Financial Statements for the Year ended 31st March, 2021

3. Earning per Share :

Rs. in Lakhs except (c), (d) and (e)

Particulars	2020-21	2019-20
(a) Net Profit/(Loss) after tax available for equity shareholders	(4,737.10)	(2,409.96)
(b) Weighted Average number of Equity shares for calculating EPS	1,44,43,405	1,44,43,405
(c) Nominal Value of Equity Shares	10.00	10.00
(d) Basic Earning per share (a/b)	(32.80)	(16.69)
(e) Diluted Earning per share (a/b)	(32.80)	(16.69)

4) Employee Benefits :

As per Indian Accounting Standard - 19 " Employee Benefits", the disclosures of Employee Benefits are as follows:

Defined Contribution Plan :

Employee benefits in the form of Provident Fund, Pension Scheme, and Labour Welfare Fund are considered as defined contribution plan.

The contributions to the respective fund are made in accordance with the relevant statute and are recognised as expense when employees have rendered service entitling them to the contribution. The contributions to defined contribution plan, recognised as expenses in Statement of Profit and Loss are as under:

Rs. in Lakhs

Defined contribution plan	2020-21	2019-20
Employer's Contribution to Provident Fund	8.51	44.23
Employer's Contribution to Pension Scheme	12.36	55.68
Total:	20.87	99.91

a) Gratuity :

The following table summarise the components of net benefit expense recognised in the Statement of Profit and Loss:

Details of funded post retirement plans are as follows :

Rs. in Lakhs

Sl. No.	Particulars	Gratuity		Leave Encashment	
		2020-21	2019-20	2020-21	2019-20
I.	Expenses recognised in the Statement of Profit and Loss:				
1	Current service cost	32.26	29.34	25.23	20.50
2	Past service cost	-	-	-	-
3	Curtailment	-	-	-	-
4	Settlement	-	-	-	-
5	Service Cost	32.26	29.34	25.23	20.50
6	Net interest on the net defined benefit liability/asset	39.63	38.19	2.31	2.68
7	Immediate recognition of (gains)/losses/other long term employee benefit plans	-	-	(18.28)	(17.29)
8	Cost recognised in P/L	71.89	67.53	9.26	5.89
II.	Other comprehensive income :				
1	Actuarial (gain) / loss arising from:				
	- change in experience	14.02	36.29	(18.54)	(18.97)
	- change in financial assumptions	3.39	22.96	0.26	1.68
2	Actuarial (gain)/ loss arising during the period	17.41	59.25	(18.28)	(17.29)
3	Returns on Plan Assets (greater)/less than discount rate	(0.01)	(0.01)	-	-
4	Actuarials (gains)/ losses recognised in OCI	17.40	59.24	-	-
5	Adjustment for limit on Net Assets	-	-	-	-

Notes to Financial Statements for the Year ended 31st March, 2021

(Rs. in Lacs)

Sl. No.	Particulars	Gratuity		Leave Encashment	
		2020-21	2019-20	2020-21	2019-20
III.	Defined Benefit Cost				
1	Service cost	32.26	29.34	25.23	20.50
2	Net interest on the net defined benefit liability/asset	39.63	38.19	2.31	2.68
3	Actuarials (gains)/ losses recognised in OCI	17.40	59.24	-	-
4	Immediate recognition of (gains)/ losses/other long term employee benefit plans	-	-	(18.28)	(17.29)
5	Defined Benefit Cost	89.29	126.77	9.26	5.89
IV.	Change in present value of defined benefit obligation :				
1	Present value of defined benefit obligation at the beginning of the year	620.13	571.03	(37.89)	(42.54)
2	Acquisition adjustment	-	-	-	-
3	Interest expense	39.75	38.31	(2.31)	(2.68)
4	Past service cost	-	-	-	-
5	Current service cost	32.26	29.34	(25.23)	(20.50)
6	Employees' contributions	-	-	-	-
7	Benefits paid directly by the company	(17.03)	(77.80)	4.82	10.54
8	Actuarial (gain) / loss arising from:				
	- change in experience	14.02	36.29	18.54	18.97
	- change in financial assumptions	3.39	22.96	(0.26)	(1.68)
9	Present value of Defined Benefit Obligation at the end of the year	692.52	620.13	(42.33)	(37.89)
V.	Change in fair value of plan assets during the year :				
1	Fair value of Plan assets at the beginning of the year	1.83	1.70	-	-
2	Interest income	0.12	0.12	-	-
3	Employee's Contribution	-	-	-	-
4	Employers's Contribution	-	-	-	-
5	Benefits Paid	-	-	-	-
6	Settlement	-	-	-	-
7	Return on plan assets greater / (lesser) than discount rates	0.01	0.01	-	-
8	Administration expenses	-	-	-	-
9	Fair Value of Plan Assets at the end of the year	1.96	1.83	-	-
VI.	Net Asset/ (Liability) recognised in the Balance Sheet as at the year end:				
1	Present Value of Defined benefit obligation	(692.52)	(620.13)	(42.33)	(37.89)
2	Fair value of Plan assets	1.96	1.83	-	-
3	Funded Status [Surplus/(Deficit)]	(690.56)	(618.30)	(42.33)	(37.89)
4	Effects of Asset ceiling	-	-	-	-
5	Net defined benefit asset/ (liability) at the end of current period	(690.56)	(618.30)	(42.33)	(37.89)
VII.	Actuarial Assumptions :				
1	Discount Rate (per annum) %	6.40%	6.50%	6.40%	6.50%
2	Expected Return on Plan Assets (per annum) %	7.50%	7.50%	-	-
3	Expected Rate of Salary Increase	0.00%	5.00%	0.00%	5.00%
4	Retirement / Superannuation Age (Years)	60	60	60	60
5	Mortality Rates	IALM (2006-08) Ultimate	IALM (2006-08) Modified Ultimate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate
VIII.	Major Category of Plan Assets as a % of the Total Plan Assets as at the year end :				
1	Administered by Insurance Companies	-	-	-	-
2	Public Financial Institutions / Public Sector Companies bonds	-	-	-	-
3	Central / State Government Securities	-	-	-	-
4	Private sector bonds	-	-	-	-
5	Others	100.00%	100.00%	-	-
IX.	Maturity Profile of Defined Benefit Obligation				
	Expected cash flows (valued on undiscounted basis):				
	Within the next 12 months	212.73	140.46	12.53	11.93
	Between 2 and 5 years	237.83	237.52	18.98	16.38
	Between 5 and 10 years	333.13	344.32	46.55	54.71
	Total expected payments	783.69	722.30	78.06	83.02
	The weighted average duration of the defined plan obligation at the end of the Balance Sheet date(in years)	7.00	7.00	8.00	7.00

Notes to Financial Statements for the Year ended 31st March, 2021

b) Risks related to defined benefit plans:

The main risks to which the Company is exposed in relation to operating defined benefit plans are :

- i) Interest Rate Risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bonds yields fall, the defined benefit obligation will tend to increase.
 - ii) Salary Inflation Risk : Higher than expected increases in salary will increase the defined benefit obligation.
 - iii) Demographic Risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.
- c) The Pension Fund and Provident Fund expenses have been recognised in Employee Benefits Expense under “ Contribution to Provident and Other Funds”, Gratuity and Leave Encashment (Refer Note No. 21).

5) Segment information

- a) The Managing Director has been identified as the Company’s chief operating decision-maker (CODM) as defined by Ind AS 108– Operating Segments.

The CODM evaluates the Company’s performance and allocates resources based on an analysis of various performance indicators by Business segments.

The CODM of the Company evaluates the segments based on their revenue growth, operating income and return on capital employed.

- b) The following is an analysis of revenue and results from operations by reportable segments:

The Sugar segment includes the production of Sugar, Molasses, Power and Fertilisers, whereas the Distillery segment includes production of Ethanol.

Rs. in Lakhs

Particulars	Sugar	Distillery	Unallocable	Elimination	Total
i) Revenue					
Gross Sales	6,248.08	1,143.01		-	7,391.08
	13,501.77	2,558.35		-	16,060.12
Less: Inter Segment Revenue	86.25	-		-	86.25
	746.90	-		-	746.90
Revenue from operations (Gross)	6,771.15	1,143.01		-	7,914.16
	12,754.87	2,558.35		-	15,313.22
ii) Segment Results :					
Profit/(Loss) before tax and finance Cost	(2,072.67)	28.68			(2,043.99)
	(1,987.33)	1,058.39			(928.94)
Less: Unallocable expenditure	-	-		-	-
	-	-		-	-
Finance costs	-	-		-	1,757.59
	-	-		-	1,481.02
Profit/(Loss) before tax	-	-		-	(3,801.58)
	-	-		-	(2,409.96)

Figures below current year pertain to previous year, negative figures in bracket indicate loss pertaining to previous year

Notes to Financial Statements for the Year ended 31st March, 2021

Segment Assets and Liabilities:

Rs. in Lakhs

Particulars		Sugar	Distillery	Unallocable	Elimination	Total
Segment Assets	31st March, 2021	1,3028.43	4,695.16	-	-	17,723.60
	31st March, 2020	21,095.30	5,794.11	935.52	-	27,824.93
Segment Liabilities*	31st March, 2021	23,563.85	1,072.11	-	-	24,635.96
	31st March, 2020	28,870.99	1,111.73	-	-	29,982.72
Other Information :						
Capital Expenditure	31st March, 2021	17.79	74.91	-	-	92.69
	31st March, 2020	852.33	217.37	-	-	1,069.70
Depreciation	31st March, 2021	420.40	98.21	-	-	518.60
	31st March, 2020	415.26	105.93	-	-	521.18

- 6) Deferred Tax Assets(Net) is not recognized for the current financial year on the basis of uncertainty of profitability.
- 7) The Company has given a Guarantee to Bank of India and Union Bank of India for repayment of Loan along with interest towards Kisan Credit Card(KCC) Loan availed by Cane Growers. The Trade Payables includes outstanding liability of Kisan Credit Card(KCC) payable to Bank of ` 6422.51 lakhs and `6113.85 Lakhs as at 31st March, 2021 and 31st March, 2020 respectively including interest. The interest is @7% p.a. as per Interest Subvention Scheme declared by Reserve Bank of India/ Government of India. The repayment of Kishan Credit Loans which is repayable by the Company is irregular in nature.
- 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. So that, accounts are prepared on going concern basis.
- 9) Due to Labour unrest, Sugar season could not be started for the season 2020-21. The sugarcane area of the company allotted to other sugar factories. Due to non-availability of fuel and power Distillery could not run and subsequently due to labour unrest operation of Boiler also obstructed and thus Distillery could not be started. There was no production in Sugar & Distillery during the year 2020-21. So that Previous Year Figures are not comparable.
- 10) Buffer Stock claim for 3rd and 4th quarter as per Scheme of Buffer Stock dated 15th June, 2018 has been withheld due to non compliance of Term & conditions specified there in on account of export of the sugar under MIEQ scheme. So Provision of Rs123.74 lakhs made in the accounts. However, the company is following regularly with appropriate authority for removal of linked compulsory export condition.
- 11) Management has assessed the Extra wages on account of Overtime payable to the Workers for the Financial year 2015-16 to 2016-17(Residual Balance) and Provision for the Financial year 2017-18 to 2019-20 made, which are no longer required to be paid, written back in the accounts of ` 92.86 Lakhs included in "Sundry balance written back" of Note-18.
- 12) The Unsecured loans granted to The Belsund Sugar & Industries Ltd (a related Party) ` 1506.08 Lakhs against which a provision for doubtful ` 773.33 Lakhs was made in the earlier year and after further assessment by the company, the said Unsecured loans has been written off as there is no possibility of recovery.
- 13) During the year, Company had declared temporary stoppage of work during Off season in Sugar Plant with effect from 11th May 2020, onward as per Standing order of workmen in Sugar Industry in Bihar due to for the reason that Sugar Plant in previous Season ran less than 90 days and further work has to be suspended from period to period including current season due to Labour unrest. So that Provision for the wages are not provided on the basis of "No work No pay".
- 14) Trade Receivable includes Rs. 11.80 lakhs from Food Corporation of India on account of differential price of levy sugar, whose claim pending with Hon'ble Patna High Court, the company expects full recovery of the same and Rs. 200.48 Lakhs due from Bihar State Beverage Corporation Limited(BSBCL) outstanding since 31.03.2016 on account of supply of country liquor which withheld due to prohibition on liquor imposed on 31.03.2016 by the Bihar Government, as per the BSBCL the value of country liquor Rs. 126.70 Lakhs destroyed and denied the payment for the same for which company filed a case in Patna High Court for the recovery. However, Management has provided allowance for bad and doubtful debt of Rs. 100.24 Lakhs out of Rs. 200.48 Lakhs for the impairment thereof.
- 15) The State Government of Bihar has initiated 2 nos. of certificate proceedings for recovery of cane price dues to farmers of Rs. 3110.79 Lacs for season 2018-19 and Rs. 3506.17 Lacs for season 2019-20. Company is contesting the matter.

Notes to Financial Statements for the Year ended 31st March, 2021

Note 25 : NOTES ON ACCOUNTS

16) Related Party Disclosures :

a) Name of related parties and description of relationship:

i) Enterprise over which KMP and relatives have significant influence

1. The Belsund Sugar & Industries Ltd

ii) Company having Substantial Interest

1. DG Vitta Vinimay & Properties Limited

iii) Key Management Personnel :

1. O. P. Dhanuka

(Rs. in Lakhs)

Sl. No.	Note of Related Party	Nature of Transaction	Year ended 31.03.2021	Year ended 31.03.2020
1	The Belsund Sugar & Industries Limited	Assignment of Trade Payable	-	2,425.00
		Less: Loan Given	-	1,506.08
		Less: Loan Refunded	-	-
		Allowance for bad & doubtful debts	-	773.33
		Unsecured loans Outstanding	-	1,692.25
		Unsecured loan Written off out of which provision was made in earlier year Rs. 773.33 Lakhs.	1,506.08	-
		Receivable (Net) included in Other Advances/Other Payable	4.10	12.02
		Purchase of Sugarcane	-	3.91
2	Directors	Sitting Fees	1.00	0.84
3	O.P. Dhanuka	Salary	1.00	1.00

Note 25 : NOTES ON ACCOUNTS

10) Financial instruments - Accounting, Classification and Fair value measurements

A. Financial instruments by category

As at 31st March, 2021

Rs. in Lakhs

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying Value			Total
				Amortized Cost	FVTOCI	FVTOPL	
Financial assets							
a)	Trade and other receivables	8(a)	113.19	113.19	-	-	113.19
b)	Cash and cash equivalents	8(b)	26.89	26.89	-	-	26.89
c)	Bank balances other than cash and cash equivalents	8(c)	20.73	20.73	-	-	20.73
e)	Other financial assets	4(b)	719.69	719.69	-	-	719.69
	Total		880.49	880.49	-	-	880.49
Financial liabilities							
a)	Borrowings	12(a) & 14(a)	9,846.54	9,846.54	-	-	9,846.54
b)	Trade and other payables	12(b)	12,093.06	12,093.06	-	-	12,093.06
c)	Other financial liabilities	14(b)	1,835.79	1,835.79	-	-	1,835.79
	Total		23,775.39	23,775.39	-	-	23,775.39

Notes to Financial Statements for the Year ended 31st March, 2021

Note 25 : NOTES ON ACCOUNTS

As at 31st March, 2020

Rs. in Lakhs

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying Value			Total
				Amortized Cost	FVTOCI	FVTOPL	
	Financial assets						
a)	Trade and other receivables	8(a)	527.74	527.74	-	-	527.74
b)	Cash and cash equivalents	8(b)	62.23	62.23	-	-	62.23
c)	Bank balances other than cash and cash equivalents	8©	127.54	127.54	-	-	127.54
d)	Other financial assets	4(b)	874.99	874.99	-	-	874.99
	Total		1,592.49	1,592.49	-	-	1,592.49
	Financial liabilities						
a)	Borrowings	12(a) & 14(a)	11,857.12	11,857.12	-	-	11,857.12
b)	Trade and other payables	12(b)	15,793.95	15,793.95	-	-	15,793.95
c)	Other financial liabilities	14(b)	1,226.97	1,226.97	-	-	1,226.97
	Total		28,878.04	28,878.04	-	-	28,878.04

Fair value hierarchy

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade and other receivables, loans and other current financial assets, short term borrowings from banks and financial institutions, trade and other payables and other current financial liabilities approximate their carrying amounts due to the short-term maturities of these instruments.

The Company uses the following fair value hierarchy for determining and disclosing the fair value of financial instruments:

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 : Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

18) Financial Risk Management objectives and policies

i) Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency denominated borrowings as per forward rate.

Foreign Currency Exposure :

Rs. in Lakhs

Particulars	Currency	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
Borrowings	USD	-	-
	INR	-	-

Notes to Financial Statements for the Year ended 31st March, 2021

ii) Regulatory risk

Sugar industry is regulated both by central government as well as state government. Central and State Governments policies and regulations affects the Sugar industry and the Company's operations and profitability. Distillery business is also dependent on the State Government. However, with the removal of major regulatory control on sugar sales by the Central Government, the regulatory risk are moderated.

iii) Commodity price risk

Sugar industry being cyclical in nature, realisations get adversely affected during downturn. Higher cane price or higher production than the demand ultimately affect profitability. The Company has mitigated this risk by well integrated business model by diversifying into co-generation and distillation, thereby utilizing the by-products.

iv) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company's sugar sales are mostly on cash. Power and ethanol are sold to government entities, thereby the credit default risk is significantly mitigated.

The impairment for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each balance sheet date.

Financial assets are written off when there is no reasonable expectation of recovery, however, the Company continues to attempt to recover the receivables. Where recoveries are made, these are recognised in the Statement of Profit and Loss.

v) Trade Receivables

Trade receivables of the Company are non-interest bearing and are generally on credit terms of 0 to 30 days.

An impairment analysis is performed at each balance sheet date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the balance sheet date is the carrying value of each class of financial assets disclosed under Note No. 8(a).

vi) Balances with banks

Credit risk from balances with banks is managed in accordance with the Company's policy.

The Company's maximum exposure to credit risk for the components of the balance sheet as at 31st March, 2021 & 31st March, 2020 is the carrying amounts as stated under Note No. 4(b) and 8(c).

vii) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credit facilities and short term loans which at present scenerio is not feasible.