



Riga Sugar Company Ltd.

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


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

☎ : 2231-3414/3415/3416, 66071600 Fax : (033) 2230-3663

E-mail : riga@vsnl.net, Website : www.rigasugar.com

CIN-L15421WB1980PLC032970

FORM B

1.	Name of the Company	Riga Sugar Co. Ltd.
2.	Annual Financial Statement for the year ended	31 st March,2015
3.	Type of Audit Qualification	Un qualified
4.	Frequency of observation	Nil
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the Director's Report.	Nil
6.	Additional comments from the Board/Audit Committee chair.	Nil
	To be signed by: <ul style="list-style-type: none">• CEO/Managing Director• CFO• Auditor of the Company• Audit Committee Chairman	For RIGA SUGAR CO. LTD.  Chief Executive Officer -Company Secretary



FACTORY : Dhanuka Gram, P.O. RIGA-843327, Dist. Sitamarhi (Bihar)

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**ANNUAL
REPORT**

2015



RIGA SUGAR COMPANY LIMITED

An ISO 9001 and 14001 Certified Company

RIGA SUGAR COMPANY LIMITED

Annual Report : 2015

Board of Directors	:	Shri O. P. Dhanuka - Chairman & Managing Director Shri N. C. Majumdar Shri S. Borar Shri Sarad Jha Shri S. K. Goenka Smt. Sulekha Dutta
Company Secretary	:	Shri S. Prasad
Auditors	:	K. N. Gutgutia & Co. 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
Registrars & Share Transfer Agent	:	S. K. Infosolutions Pvt. Ltd. 34/1A, Sudhir Chatterjee Street Kolkata - 700 006 Phone : 2219 4815
Shares Listed at	:	The Calcutta Stock Exchange Ltd. 7, Lyons Range Kolkata - 700 001 Bomaby 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

RIGA SUGAR COMPANY LIMITED

CIN: L15421WB1980PLC032970

14, Netaji Subhas Road, Kolkata- 700 001

NOTICE

Notice is hereby given that the Thirty fourth Annual General Meeting of the Members of RIGASUGAR COMPANY LIMITED will be held on 29th day of September, 2015 at 10.00 a.m. at SITARAM SEKSARIA SABHAGAR (Auditorium), Bhartiya Bhasa Parishad, 36A, Shakespeare Sarani, Kolkata - 700 017, to transact the following business:

ORDINARY BUSINESS:

Item No.1 : Adoption of financial statements

To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2015 together with the Reports of the Board of Directors and the Auditors thereon

Item No.2: Appointment of Auditors

- To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s K.N.Gutgutia & Co., Chartered Accountants (ICAI Firm Registration No. 304153E), be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting at such remuneration as shall be fixed by the Board of Directors of the Company ."

SPECIAL BUSINESS:

Item No.3: Appointment of Mrs.Sulekha Dutta as an independent Director

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:-

"RESOLVED that pursuant to the provisions of sections 149,152, Schedule IV and other applicable provisions of the Companies Act, 2013 and the Rules framed there under Mrs. Sulekha Dutta (DIN: 07114240), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 31st March,2015 and who holds office till the date of the Annual General Meeting of the company, in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act,2013 signifying his intention to propose Mrs. Sulekha Dutta as a candidate for the office of a Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period up to 30th March, 2020, not liable to retire by rotation."

Item No.4: Appointment of Cost Auditors for the financial year ending 31st March,2015

To consider and if thought fit to pass with or without modification(s) the following resolution as Ordinary Resolution:

"Resolved that pursuant to the provisions of Section 148 of the Companies Act,2013 and all other applicable provisions (including any statutory modification (s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the Cost Records of the Company for the financial year ending 31st March,2015, be paid the remuneration as set out in the explanatory statement annexed hereto

Resolved further that the Board of Directors of the Company be and is hereby authorized to do all acts and all such steps as may be necessary, proper or expedient to give effect to this resolution."

Item No.5: Appointment of Cost Auditors for the financial year ending 31st March,2016

To consider and if thought fit to pass with or without modification(s) the following resolution as Ordinary Resolution:

"Resolved that pursuant to the provisions of Section 148 of the Companies Act,2013 and all other applicable provisions (including any statutory modification (s) or re-enactment thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the Cost Records of the Company for the financial year ending 31st March,2016, be paid the remuneration as set out in the explanatory statement annexed hereto

Resolved further that the Board of Directors of the Company be and is hereby authorized to do all acts and all such steps as may be necessary, proper or expedient to give effect to this resolution."

Place : Kolkata
Date : 8th August, 2015

By Order of the Board of Directors

Shailendra Prasad
Company Secretary

Notes:

1. The relative Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (Act) and pursuant to clause 49 of the Listing Agreements in respect of business under Item Nos. 3 to 5 of the Notice are annexed hereto.
2. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company.
3. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
4. The Register of Members and Transfer Books of the Company will be closed from 26th September, 2015 to 29th September, 2015, both days inclusive.
5. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, S. K. Infosolutions Pvt. Ltd (SKIPL) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to SKIPL.
6. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or SKIPL for assistance in this regard.
7. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
8. Members seeking any information with regard to the Accounts, are requested to write to the Company at least 7 days in advance of AGM date to enable the Management to keep the information ready at the meeting.
9. Members are hereby informed that dividends which remain unclaimed/ unencashed over a period of 7 years have to be transferred by the Company to the Investor Education & Protection Fund (IEPF) established by the Central Government. Unclaimed/ un-encashed dividend (Final dividend) declared by the Company for the year ended 31st March, 2009 would be transferred to the said fund after 2nd April, 2017 within 30 days. Shareholders are advised to send all the unencashed dividend warrants to the Registered Office of the Company for revalidation and encash them immediately. Unclaimed/ Unencashed dividend upto the years ended 31st March, 2008 have already been transferred to the IEPF.
10. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 11, 2014 (date of last Annual General Meeting) on the website of the Company (www.rigasugar.com) as also on the Ministry of Corporate Affairs website (www.mca.gov.in)
11. The Notice of the AGM along with the Annual Report 2014-15 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
12. To support the 'Green Initiative' the Members who have not registered their e-mail addresses are requested to register the same with SKIPL /Depositories.
13. Voting Right by electronic means
 - I. In compliance with the provisions of section 108 of the Companies Act, 2013 and the Rules framed thereunder and clause 35B of the Listing Agreement, the company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the above Annual General Meeting (AGM) by electronic means and business may be transacted through e-Voting Services. The Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by NSDL, on all resolutions set forth in this Notice.
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

III. The members who have cast their vote by remote e-voting prior to AGM may also attend the AGM but shall not be entitled to cast their vote again.

IV. The instructions for e-voting are as under:

A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):

- i. Open the e-mail and also open PDF file namely "RSCL e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
- iii. Click on Shareholder - Login.
- iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
- v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
- vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
- vii. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
- viii. Select "EVEN" (E-Voting Event Number) of Riga Sugar Company Limited. Now you are ready for e-voting as Cast Vote page opens.
- ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- x. Upon confirmation, the message "Vote cast successfully" will be displayed.
- xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
- xii. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to hmchoraria@gmail.com with a copy marked to evoting@nsdl.co.in.
- xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at the downloads section of www.evoting.nsdl.com.

B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories):

- i. Initial password is provided as below/ at the bottom of the Attendance Slip for the AGM:
EVEN (E-Voting Event Number) USER ID PASSWORD/PIN
- ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

C. Other Instructions:

- i. The e-voting period commences on 26th September, 2015 (9.00 a.m. IST) and ends on 28th September, 2015 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 22nd September, 2015 (cut-off date), may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the date of cut-off date. In case of joint holders, only one of the joint holders may cast his vote.
- iii. Mr. H.M. Choraria, Practicing Company Secretary (Membership No. FCS 2398), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- iv. The Scrutinizer shall, after conclusion of voting at AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in presence of at least two witnesses not in the employment of the Company. The

Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, not later than three days after conclusion of AGM to the Chairman or person authorized by him in writing, who shall countersign the same and declare the result of voting forthwith.

- v. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.rigasugar.com and on the website of NSDL www.evoting.nsdl.com and communicated to the Stock Exchanges, where the shares of the Company are listed. Subject to receipt of requisite nos. of votes, the resolutions set out in the Notice shall be deemed to be passed on the date of AGM.
- vi. All documents referred to in the accompanying Notice and the Explanatory Statements shall be open for inspection at the Registered Office of the company during normal business hours on all working days except Saturday.

Explanatory Statement

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 5 of the accompanying Notice:

Item No 3 :

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mrs Sulekha Dutta as an Additional Director of the Company, who holds office upto the date of the forthcoming AGM of the Company.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs Sulekha Dutta for the office of Director of the Company.

Mrs Sulekha Dutta is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration from Mrs Sulekha Dutta that she meets with the criteria of independence as prescribed both under subsection (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Mrs Sulekha Dutta fulfills the conditions for her appointment as an Independent Director as specified in the Act and in the Listing Agreement. Mrs Sulekha Dutta is independent of the management.

Brief resume of Mrs Sulekha Dutta, nature of her expertise in specific functional areas and names of companies in which she holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement is annexed to the Notice.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Directors requires approval of shareholders.

Keeping in view her vast expertise and knowledge, it will be in the interest of the Company that Mrs Sulekha Dutta is appointed as an Independent Director.

Copy of the draft letter for appointment of Mrs Sulekha Dutta as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreements with the Stock Exchanges. Mrs Sulekha Dutta does not hold any shares in the Company.

None of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice. Mrs Sulekha Dutta is not related to any director of the Company.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the members

Item No 4:

The Companies (Cost Records and Audit) Amendment Rules, 2014 was notified on 31.12.2014, which made our company applicable for maintenance of cost record and Cost Audit. Accordingly company received eligibility and consent letter from M/s. Mani & Co., Cost Accountants on 07.02.2015 to be appointed as Cost Auditor for Sugar and Sugar products and Ethyl Alcohol & Other spirit. The proposal for re-appointment of Cost Auditor for the year 2014-15 was recommended by the Audit Committee to the Board. It was proposed to re-appoint M/s. Mani & Co., Cost Accountants, 'Ashoka', 111, Southern Avenue, Kolkata - 700 029 as Cost Auditors for conducting the cost audit of the cost records of the Company for the Financial Year 2014-15 on a remuneration of Rs. 80,000/- (Rupees eighty thousand only) per annum plus out of pocket expenses.

The letter dated 07.02.2015 of Cost Auditors regarding their eligibility for re-appointment as Cost Auditor will be available for inspection at the Registered office of the Company between hours of 10.00 a.m. and 12 Noon on any working day except Saturday.

As per Rule 14 of Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified by the Members. Hence this Resolution is put for the consideration of the Members.

The Board recommends the resolution set forth in item no. 4 for the approval of the Members.

None of the Directors, key managerial personnel and relatives of such persons is in any way , concerned or interested, financially or otherwise, in the resolution.

Item No 5:

A proposal for re-appointment of Cost Auditor for the the year 2015-16 was recommended by the Audit Committee to the Board. It was proposed to re-appoint M/s. Mani & Co., Cost Accountants, 'Ashoka', 111, Southern Avenue, Kolkata - 700 029 as Cost Auditors for conducting the cost audit of the cost records of the Company for the Financial Year 2015-16 on a remuneration of Rs.80,000/- (Rupees eighty thousand only) per annum plus out of pocket expenses.

The Company has received the Certificate dated 12.05.2015 , issued by the above firm regarding their eligibility for re-appointment as Cost Auditor which will be available for inspection at the Registered office of the Company between hours of 10.00 a.m. and 12 Noon on any working day except Saturday.

As per Rule 14 of Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified by the Members. Hence this Resolution is put for the consideration of the Members.

The Board recommends the resolution set forth in item no. 5 for the approval of the Members.

None of the Directors, key managerial personnel and relatives of such persons is in any way , concerned or interested, financially or otherwise, in the resolution.

Kolkata, 8th August, 2015
CIN:L15421WB1980PLC032970
Registered Office:
14, Netaji Subhas Road
Kolkata- 700 001

By Order of the Board of Directors

Shailendra Prasad
Company Secretary

Details of Directors Seeking Appointment/Re-appointment at the Annual General Meeting

Particulars	Mrs. Sulekha Dutta
Date of Birth	21.05.1974
Date of Appointment	31.03.2015
Qualifications	ACS, LLB
Expertise in specific functional areas	Corporate compliance
Directorships held in other companies (excluding foreign companies)	Khaitan (India) Ltd.
Memberships/ Chairmanships of committees of other companies (includes only Audit Committee and Shareholders/ Investors Grievance Committee)	None
Number of shares held in the Company	NIL

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, 2015.

FINANCIAL & OPERATIONAL RESULTS

(Rs. in Lacs)

	Financial Year 31st March, 2015	Financial Year 31st March, 2014
FINANCIAL RESULTS		
(a) Gross Turnover	18,949.35	16,472.34
(b) Operating Profit Before Finance Cost & Depreciation	561.56	1,637.29
(c) Finance Cost	1,607.46	1,318.29
(d) Cash Accruals	(1,045.90)	319.00
(e) Depreciation & Amortization	396.01	591.18
(f) Profit (Loss) before extraordinary items	(1,441.91)	(272.18)
(g) Extraordinary Item of Exp.	-	-
(h) Profit (Loss) Before Tax	(1,441.91)	(272.18)
(i) Provision for Tax		
- Deferred Tax	(401.82)	23.68
- Income Tax of earlier year	-	0.02
(j) Profit (Loss) After Tax	(1,040.09)	(295.88)
(k) Balance Brought Forward from last year	(897.11)	(732.15)
(l) Transfer from General Reserve	-	130.92
(m) Profit (Loss) Carried Forward to Balance Sheet	(1,937.20)	(897.11)

DIVIDEND:

In view of losses company is unable to pay Dividend.

OPERATIONAL RESULTS

SUGAR UNIT

The comparative figures in regard to duration of season, cane crush, sugar recovery and production for the year ended 31st March, 2015 vis -a-vis previous financial year ended 31st March, 2014 in respect of the Sugar Factory of your Company are given below:-

	Financial Year 31st March, 2015	Financial Year 31st March, 2014
1. Duration of crushing (gross days)	131	110
2. Cane crushed (Lac Qtls.)	52.35	48.42
3. Recovery (%)	8.62	9.16
4. Production (Lac Qtls.) -	4.51	4.43

Your company has faced extensive damage and losses due to 2 consecutive years' of natural calamities. The Phailin Cyclone occurred in October' 2013 followed by Hudhud Cyclone in October'2014 which devastated the sugarcane quality in Riga area and reduced recovery in both years by about 0.5%. This resulted into estimated loss of Rs. 7 Crores for each financial year of 2013-14 and 2014-15. The State government of Bihar constituted a committee and visited the affected area to asses losses, but till date no relief has been provided to affected sugar mills inspite of genuine demand.

The net sales of sugar unit increased from Rs. 123 Cr. to Rs. 138 Cr. i.e. increase of 12%. The sales increased due to volume increase in sales quantity of sugar.

There has been five years of continuous surplus production of sugar in the country leading to glut in domestic market and price decline drastically. The closing stock of sugar during the year end was valued lower than cost of production, leading to substantial loss in sugar segment despite accounting for the financial assistance equivalent to of Rs. 26.75 per qtl. of sugarcane from state government of Bihar.

Throughout the year 2014-15 the sugar price remains subdued. After protected submission by the industry the government increased the import duty on sugar from 15% to 25% and then to 40%. But by then the unfettered import did irreparable damage to the domestic sugar industry. Moreover the import of raw sugar under advance license were allowed with exporting obligation of white sugar within 18 months. This also flooded the domestic market, which were already facing glut.

The FRP for the season 2014-15 were increased by Central Government from Rs. 210 per qtl. to Rs. 220 per qtl. linked with basic recovery of 9.5%. During last 5 years the FRP has been increased by 110% inspite of the facts that sugar price has not shown any increase during these period. The CACP while recommending FRP for 2014-15 had projected sugar price of Rs.3200 to Rs. 3400 per qtl. But actual realization is much lower than that. Further the State governments continued to interfere in determination of sugarcane price, which is much higher than FRP, disregarding the sugar price realization in the market. This sugarcane price forced on sugar factories by state government has no link with sugar price and is disproportionately very high.

Relief by Bihar Government

In Bihar the cane Price for the season 2014-15 was maintained at Rs. 255 per qtl. for normal varieties, Rs. 245 per qtl. for lower varieties and Rs. 265 for premium Varieties. Transport rebate on out center cane remains at Rs. 15 per qtls.

In a major boost the state government of Bihar has realized the problems being faced by the sugar industry and announced relief measures by way bonus on cane price of Rs. 5 per qtl. directly to the farmers and extend relief to sugar factories of Bihar equivalent to Rs. 27.50 per qtl. of sugarcane by way of reduction of purchase tax (Rs. 1.75 per qtl.), ZDC Commission (Rs. 4.00 per qtl.) , increase in molasses price by Rs. 100 per qtl. (equivalent Rs. 5 per qtl of cane.) and subsidy in cash of Rs.16.75 per qtl. The above steps of state government has resulted into financial saving/benefit/ relief to the company to the extent of Rs. 13.18 Crores on cane crush of 47.94 Lacs Qtl. during the season 2014-15 in comparison to last year. However these relief proved insufficient in view of wide gap between lower sugar price realization in comparison to cost of production.

The molasses price in Bihar during the year were revised from Rs. 187.50 to Rs. 287.50 per qtl.

The continued higher interest rate during the year further impacted the profitability. Due to negative outlook of sugar industry the Bank downgraded the rating of sugar companies and thus cost of funds increased.

Therefore comparatively high cane price, lower sales realization and increase of interest burden impacted the profitability of the company and industry.

DISTILLERY UNIT

	Financial Year 31st March, 2015	Financial Year 31st March, 2014
1. Production of Industrial Alcohol (Lac BL)	130.82	121.49
2. Sale of Industrial Alcohol/ Transfer for Country Liquor (Lac BL)	111.73	111.34
3. Supply of Ethanol (Lac BL)	7.20	2.00

The Rectified Spirit price has been revised by Bihar Government from Rs. 28.80 to Rs. 35.80 wef 5.12.2014 per BL for Grade I, which the company is making.

ETHANOL

The company participated in Tender floated by Oil Marketing Companies (OMC) and got LOI for supply of ethanol to the depot of OMC in Bihar. The state government of Bihar during the year continued policy to allow only 5% of total molasses production in the state for manufacture of Ethanol by the state distilleries. As such our production of Ethanol during the year was 7.5 Lacs Litre . Now state government are considering to increase molasses allotment to 10% , which will definitely increase the Ethanol production.

The ethanol supply price were revised to Rs. 49 per BL within delivery of 100kms and Rs. 49.50 per BL within delivery beyond 100 kms. to the Depot of OMC all inclusive.

COUNTRY LIQUOR

The manufacturing and supply of Country Liquor in sachets performed well during the year. The company's distillery got exclusive License for manufacture and supply of Country Liquor in Pet Bottle to Bihar State Beverage Corporation Limited for a period of 5 years starting from 1st April, 2014 in Muzzafarpur Zone. But due to delay in implementation by the state excise department in switching from sachet to pet bottle it started manufacturing in pet bottle from February, 2015.

SEGMENT-WISE PERFORMANCE:

During the reporting period sugar segment contributed 75 percent of net sales of the company whereas Distillery accounted for 25 percent. The company identified two business segments in line with the Accounting Standard on Segment Reporting, Segment-wise Revenue, Results and Capital Employed is stated in Note No.32 of financial statement enclosed with the Annual Report.

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 had 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 about Rs. 85,000 Crore and contribute about Rs.3,000 crore to the Central Government Exchequer by way of central excise duty every year 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. Since sugar industry is in loss income tax is not being paid present, but the cola and confectioneries, Biscuit, Ice-cream company are making huge profit due to lower cost of sugar and thus paying higher Income Tax. Sugar 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 which is about 25% higher than FRP.

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. This cycle has broken and India is having higher production of sugar for last five consecutive 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. 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 Rangarajan 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."

Maharashtra and Karnataka Government have established Control Board to address market linked cane pricing over a period of time. But until these Board become fully effective and other key states also creates a similar mechanism for cane price, India

will remain among the few major markets where the price of cane is not linked with market price of sugar. Consequently cost of production is often higher than the market price of sugar, creating losses to sugar mills and cane price arrears to the farmers.

Distillery & Ethanol

Movement and distribution of Molasses and its finished products Alcohol are governed entirely by the State Government. The ethanol blending program has suffered in most of the state as they are reluctant to allow permission for allocation of alcohol for production of ethanol. The state authority put hurdles on ethanol production due to perceptible fear of losing revenue and meeting state requirement for potable alcohol.

Co-Gen of Power

The Company has set-up co-generation Plant for producing additional 3 MW of Electricity. The Company has received all statutory approvals toward this, and Power Purchase Agreement (PPA) were signed on 1st September, 2014, but power could not be supplied during the season 2014-15 due to different hurdles at government department. The company is optimistic that co-gen will start selling power from season 2015-16. This forward integration will significantly contribute to the profitability of the company.

Pollution Control- Zero Discharge Company

The Sugar and Distillery factories of the company are Zero Discharge Plants as per norm 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, RO, Lagoon and Bio-compost facilities on 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. Further the water generated from RO is used in the plant for various purposes.

Thus 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. The company has been awarded ISO 14000: 2004 in recognition of the organization's Environmental Management System which comply with ISO:14001:2004.

CANE & SUGAR POLICY

- The Fair and Remunerative Price (FRP) price of sugarcane for the season 2014-15 was fixed at Rs. 220 per qtl. (last year Rs.210) linked with basic recovery of 9.5% , subject to premium of Rs.2.32 per qtl. for every 0.1% increase.
- The central government announced a subsidy of Rs. 4,000 per MT on production and exports of raw sugar for 1.4 millions tons of raw sugar for the season 2014-15.
- The central government also hiked the import duty on sugar from 25% to 40%.
- The period of for discharging export obligation under the advance authorization scheme for sugar was reduced to six months.
- The central government replace the policy of procurement of ethanol for blending programme from Tender based to fixed Price.
- The 12.5% excise duty on ethanol for blending purposes removed from 1st October, 2015.

OPPORTUNITIES AND THREATS

OPPORTUNITIES

Sugar

India is largest consumer and second largest producer of sugar in the world. Sugar is an essential item of mass consumption and with increase in income and spending power the consumption pattern of rural India is changing directly & indirectly. The consumption of sugar is on increasing trend and 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 consistent increase of demand of Rectified Spirit /Ethyl Alcohol in varied segment and mandatory provision of ethanol doping of 5% and its proposed increase to 10% will have strong support for growth of sugar industry. Ethanol production improves oil security and contributes to environmental protection.

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.

Bio-Compost Fertiliser

The bio-compost and vermi-compost fertilizers 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. 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 and thus expect good cash flow in near future.

THREATS

- No linkage of Sugar Price with cane price
- Unreasonable increase in cane price in comparison to sugar selling price.
- The sugar sector is exposed to political intervention.
- Industry cyclicity.

FUTURE PROSPECTS/OUTLOOK

The Indian sugar industry has had five consecutive surplus sugar years between 2010-11 to 2014-15. Over and above the sugar year 2015-16 is also going to be surplus year. The sugar year 2014-15 opened with a stock of 75 lac M/T against 93 lac M/T in 2013-14. The production for the season 2014-15 expected at 283 Lac M/T against 244 lac MT during previous season. The domestic consumption of sugar for 2014-15 expected at 248 lac M/T against 241 Lac M/T last year. The export of sugar for 2014-15 is expected at 8 Lac M/T against 22 Lacs MT last year, which is basically shipment against advance license import. The closing stock thus estimated at 102 Lac MT, is about 5 months domestic consumption.

The Government announced an export incentive of Rs. 4000 per MT to facilitate export of raw sugar from the country. Surplus production in Brazil along with depreciating Brazilian currency weighed heavily on global raw sugar prices, which decline from 17.04 US cents per pound to 12.70 US cents per pound effectively, shutting down the window for export from India despite the export incentive from the government.

Cane prices arrears mounted to an all time high of about Rs. 21,000 crores.

The central government replaced the policy for procurement of ethanol for blending programme from tender based to fixed price. Government announced removal of 12.50% excise duty on ethanol effective from season 2015-16. These measures would not only save valuable foreign exchange for the government, but would go a long way in encouraging the sugar industry in getting improved price of ethanol realization on long term basis.

Prices of by-products such as bagasse and molasses continue to remain remunerative driven by healthy demand by consuming sectors such as power, paper, alcohol and ethanol. Higher realizations for Rectified Spirit and Fuel ethanol result in improved returns from by-products. Forward integration into distilleries, country liquor, power generation, bio-fertilisers gives value addition. A significant part of profitability of the integrated sugar mills comes from by-products. It is believed that forward integration will remain crucial for improving profitability and riding through the cyclicity of the sugar industry.

SUGAR POLICY- TRAVESTY OF JUSTICE

The Hon'ble Supreme Court in its landmark judgment dated 22nd Sept 1993 in the matter of Shri Malaprabha Cooperative Sugar Factory Limited vs Union of India stated that for the purpose of fixation of Levy Price under 3 (3-C) of the Essential Commodities Act, 1955 the Government must have regard to the four factors mentioned under section 3 (3-C) of the Act. Those factors are:-

- (1) Minimum Price of Sugarcane;
- (2) Manufacturing costs;
- (3) Taxes and duties; and
- (4) Reasonable return on the capital employed.

The above factors were used to be taken into consideration while fixing the price of 60% portion of sugar (Levy Quota) in those years and balance 40% was meant for sale in the open market at higher price than Levy Price, to mop-up the average realization and compensate the loss on levy portion. But irony is that now 100% sugar is free, but factories are not able to get even the price as calculated under section 3 (3-C) of ECA mentioned above. Under the circumstance how it is possible to meet the cost and reasonable return.

While fixing the Fair and Remunerative Price (FRP) of sugarcane, CACP have to keep in mind the following factors of different players:-

FARMERS

- a. Cost of production of cane by farmers
- b. Return to the Farmers from alternative crops and general agriculture prices

SUGARFACTORY

- c. Cost of cane on production of sugar based on recovery %
- d. Cost of conversion from cane to sugar by the millers including labour, lime, sulphur, repair, maintenance, chemicals, packing materials, administrative cost etc.
- e. Interest and Return on capital employed by the factory
- f. Sale price of sugar and by products

CONSUMER

- g. The availability of sugar to consumer at a fair price

The sale price of sugar and by products must cover item (c), (d) and (e) above. But ironically even the item (c) above i.e. cost of cane (FRP) is not covered in sale price of sugar presently.

The CACP has taken a sugar price realization between Rs. 3,200/- per Qtl. to Rs. 3,400/- per Qtl., while calculating FRP for cane of Rs. 220 per Qtl. for season 2014-15, but realization is much less than that.

The result - Sugar Industry is Bleeding, Farmers are suffering, Bankers and Investors are tottering.

All this mess in the name of Politics. General Public hardly consume 30% of sugar sold in India and sugar is not their priority items, but they strive for staple food, vegetable, dal, edible oils whose price is high skyrocketing. Even the packet of iodised salt is costlier than sugar. But nobody is bothered.

An upward movement from current price of sugar by Rs. 5 hardly affect a family of five as their monthly budget will go up by Rs. 25 only which is price of 1 litre mineral water, half kg vegetable, 250 gram of edible oil, 1 kg of salt, just 1 piece of Apple, half dozen of banana, 2 pieces of Mango, one day pocket money of class VIII school going children. But this Rs. 5 will save 5 Crore sugarcane farmers and their family.

But it appears that government is under imminent pressure and is hell-bound to protect the interest of Institutional buyers of sugar like Cola, Beverage, Confectionery, Biscuits, Ice-cream, Sweet makers who consume 70% sugar. In this pursuit the government is :-

- (a) destroying the life of 5 crore farmers,
- (b) ruining the future of 600 plus sugar factories with Co-Gen, Alcohol, Bio-fertilizer and Power,
- (c) sinking Investment of more than Rs. 2,00,000 Crore in Sugar Industry,
- (d) hitting hard the banks because of growing NPA,
- (e) destroying the wealth of millions of investors who have invested in listed companies which owns hundreds of sugar factories with distillery & co-gen and
- (f) ultimately destroying the Rural economy.

Again question arises - in whose interest government is following the distorted policy?

Are we not helping the Brazil sugar industry on the cost of Indian farmers, by destroying our own sugar industry which has potential to become the prominent player in world in sugar export ?

A question arises when there is cane price arrears mounting every year, why the farmers are sowing the surplus cane for last 5 five consecutive years and breaking the sugar cycle? The answer lies in the fact that sugarcane price is still better than other crops where the payment is also statutorily guaranteed. But how long the said price will be guaranteed unless the sugar factories do not get corresponding price of sugar?

By this way the government is also violating the fundamental right as enshrined in Article 19(1) (g) of Constitution of India, which states that

"All citizen shall have the right to practice any profession, or to carry on any occupation, trade or business."

By distorted sugar policy the government is infringing and taking away the right of free and fair profession of Farmers and Business of sugar mills.

In a welfare state the policy is made for benefit of the people at large. But by current policy the government is not benefiting the mass but handful of people and destroying the lives of crore of hapless people and Industry.

Where is the Justice?

When the FRP is legally mandated to pay then the end product , 'sugar' should also be legally mandated to have corresponding Fair & Reasonable Price.

LONG TERM SOLUTION TO SAVE SUGAR INDUSTRY

The Central Government cannot reduce the FRP, all though which is exorbitantly high compared to sugar price realisation. As such only increase in the sugar prices can save cane growers and sugar Industry.

CACP in their recommendation while recommending FRP of Rs.230/- per Qtl for 2015-16 linked with basic recovery of 9.5% say as under:-

"A scientifically sound and economically fair methodology to determine prices of cane is to adopt hybrid approach i.e. prices of cane be determined by Revenue Sharing formula (RSF) or FRP, whichever is higher. Under the RSF the Total Revenue Pot (TRP) generated from the cane-sugar value chain, which is the value of sugar and its first stage by-products, be shared between the farmers and the millers in the ratio of their relative costs in producing cane at farm level and converting that cane into sugar and its by-products at factory level. This ratio works out to 75:25 at 10.31% recovery rate .However; arrangement under RSF needs to be aligned with FRP to protect the farmers in the event of any downward movement in prices of sugarcane. The FRP would serve as the floor price, which the farmers would receive even when sugar prices fall to a level, which leads to prices (as determined by RSF, say PRSF) lower than FRP. The Commission recommends that if price as determined by revenue sharing formula is less than FRP', the difference be financed by the Sugar Stabilization Fund to be created by the Government."

As such if CACP recommendations are fully accepted then the Government have to create a fund which can finance the differences between RSF (Revenue sharing Formula) and FRP. On the basis of today's sugar prices the RSF of different region, on an average government have to finance Rs.80/- /quintal of cane crushed from the sugar stabilization fund. Taking the expected production of sugar of 280 Lac tonne next year, on 10% recovery the cane crush of 2,800 Lacs tonne. So requirement of fund will be @ of Rs. 800/- per qtl. of sugar will be Rs. 22,400 crores. Under present economic scenario creating such a huge fund that too year after year will be very difficult for the government .

Thus, there is only one solution which can save all as mentioned below:-.

- (a) The government should fix MSP for sugar on the basis of recommendation of CACP calculated under the Essential Commodity Act to safeguard the sugar cane growers interest and to minimize the losses incurred by the industry.
- (b) It should be made legally binding that no sugar factories can sell, sugar below MSP as recommended by CACP.
- (c) To reduce the domestic inventory, export of 20% sugar production should be made compulsory. These export should be shipped out of sugar factories situated near the port and coastal area of the country. However keeping in mind the depressed international market conditions there will be losses on such export. To mitigate this export loss on 15% sugar exported, it should be allocated to balance 85% sugar meant for domestic consumption to MSP as per CACP calculation. For example if the quantum of loss on export of 15% sugar work out at Rs. 150 per qtl. of sugar meant for domestic consumption of 85%, then for MSP should be increased from Rs. 3,200 to Rs.3,350 in Maharashtra and Karnataka and from Rs.3,400 to Rs. 3,550 in Northern India.
- (d) Some people may say that it is in full control, but this is not in a full control, since factories are free to sell the sugar above MSP. There have to be restriction of selling maximum 8% of the sugar in one month including exports. Factories will be free within that 8% bar to take their own decision to sell any percentage upto 8% in any month.

Through above mechanism the Central Government will not have to bear any burden and industry will be able to pay to the cane growers. If this is done, this will solve the problems of coming years.

- (e) To ward-off the Import the custom duty should be increased from 40% to 60%.
- (f) For the cane dues of last years, Government should advise the banks to restructure the accounts of the sugar companies by converting at-least 50% working capital loan to working capital term loan for 7 years at reasonable interest with two years moratorium. This will enable the factories to clear old outstanding and farmers will get their cane dues in time.

This will be win-win situation for all. Sugar factories will realize the cane cost and conversion cost. Consumers will get sugar at a reasonable price i.e. 40/kg, which is prevailing in most part of the world and government will be saved from heavy burden of subsidy and Indian sugar trade will flourish in international market earning foreign exchange. Sugar machineries manufacturers will again start getting jobs and above all there will be no compelling circumstances to commit suicide by the poor farmers.

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 Audit Committee comprises Mr. Sharad Jha as its Chairman with Mr. Suyesh Borar and Mr. S.K.Goenka as members. All recommendations of the Audit Committee were accepted by the Board.

Information pursuant to Section 134 of the Companies Act, 2013

- a. Extract of the annual return as provided under Section 92(3) of Companies Act, 2013 is enclosed -Annexure I
- b. Eight meetings of the Board of Directors of the Company were held during the year on 25.05.2014, 29.05.2014, 12.08.2014, 26.09.2014, 08.11.2014, 14.02.2015, 17.03.2015 and 31.03.2015.
- c. All the Independent Directors of the company have furnished declarations that they satisfy the requirement of Section 149 (6) of the Companies Act, 2013.
- d. 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.
- e. There is no qualification, reservation or adverse remark or disclaimer made by the auditor in his report and by Company Secretary in practice in the secretarial audit report and hence no explanations or comments by the Board are required.
- f. The details of Loans, Guarantees and Investment covered under the provisions of section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements and also enclosed as Annexure-III.
- g. 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. 33 to the financial statement which set out Related Party Disclosures.
- h. 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 IV
- i. 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.
- j. 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.
- k. In compliance with the Companies Act, 2013 and clause 49 of the Listing Agreement, during the year Board adopted a formal 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 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

- (a) Lack of clear cut policy of the State Government and time consuming regulation of the movement, distribution and pricing of molasses and Industrial Alcohol are major concerns in respect of Distillery operations.
- (b) Inconsistent policy of the State government in the implementation of the Ethanol Blending Programme is matter of concern.

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.

CHANGE IN SHARE CAPITAL

The company during the year on 25.09.2014 allotted 18,00,000 equity share warrants of Rs.10/- each at a price of Rs.15.20 per warrant convertible into equity share of Rs. 10 and premium of Rs. 5.20 each on preferential allotment basis as per SEBI (ICDR) Regulations, 2009. The company received Rs. 68.40 Lacs as 25% allotment amount as advance toward said issue of share warrants. The allottee have option to convert the said warrants into equity shares within 18 months of allotment of warrants.

The company during last 6 years raised Rs. 13.56 Cr as equity

CREDIT RATING

CARE maintained credit rating for the company's Long-term and short-term debts at CARE B and CARE A4 respectively.

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

The observation of Statutory Auditors in their report, read with the relevant notes to accounts are self explanatory and therefore, do not require any further explanation.

M/s. K.N. Gutgutia & Co., Chartered Accountants (ICAI Registration No. 304153E) , Kolkata, Statutory Auditors of the Company, retire and being eligible offer themselves for re-appointment.

(b) Cost Auditors

The Board appointed M/s. Mani & Co., Cost Accountants (Firm Registration No 000004), Kolkata, to conduct cost audit of the company relating to sugar (including industrial alcohol) for the financial year ended 31st March, 2014 and 31st March, 2015 after receiving clarification from government . The remuneration payable to the Cost Auditors for the said years being placed for ratification by the Members at the forthcoming Annual General Meeting.

(c) Secretarial Auditor and Secretarial Audit Report

In pursuance of section 204 of the Companies Act, 2013 M/s H.M. Choraria & co., Company Secretaries were appointed as secretarial Auditors to carry out Secretarial Audit for the financial year 2014-15. Their report is annexed to this report as Annexure-V.

DIRECTORS:

Mrs. Sulekha Dutta, was appointed as Additional Director of the company in the category of Independent Director by the Board

in its meeting held on 31st March, 2015. She shall hold office upto the date of ensuing Annual General Meeting of the company and will be eligible for re-appointment as Independent Director.

All Independent Directors have given declaration that they meet the criteria of Independence as laid down under section 149 (6) of the Companies Act, 2013 and clause 49 of the Listing Agreement.

Mr. Pankaj Tibrawalla ceased to be Director of the company wef 25th March, 2015 due to resignation. The Board placed on its record its appreciation for the services and advice made by Mr. Tibrawalla during his tenure as Director.

DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors state that:-

- (i) in preparation of the annual accounts for the year ended 31st March, 2015, the applicable accounting standards have been followed alongwith 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 31st March, 2015;
- (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 are 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- VI.

CORPORATE GOVERNANCE:

The Corporate Governance form an integral part of this Report and are set out as Annexure- VII to this Report. The certificate from the Auditors of the company certifying compliance of condition of Corporate Governance stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges is also annexed to Report on Corporate Governance.

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:

- (i) Mr. O.P.Dhanuka, Chairman & Managing Director
- (ii) Mr. S.Prasad, Company Secretary
- (iii) Mr. R.N.Sharma, Chief Financial Officer

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 and the Company's operations.

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.

Material changes and commitments affecting the financial position of the company after 31st March, 2015

The sugar prices have further reduced after 31st March, 2015.

LISTING OF EQUITY SHARES:

The Shares of the Company are listed on the Stock Exchanges of Calcutta and Mumbai. The Company has been regularly paying the Listing Fees to each Stock Exchanges.

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:-

<u>Annexure</u>	<u>Particulars</u>
I	Extract of the Annual Return as per Form MGT-9
II	Policy on selection of Directors appointment and remuneration
III	Details of Loan , Guarantees and Investment
IV	Particulars of conservation of energy, Technology Absorption and Foreign Exchange earnings and outgo
V	Secretarial Audit Report
VI	Particulars of Employees
VII	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 : 29th May, 2015

For and on behalf of the Board,

O. P. Dhanuka

Chairman & Managing Director

Annexure - I to the Directors Report

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

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
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	S.K. Info solutions Pvt. Ltd. 34/1A, Sudhir Chatterjee Street, Kolkata-700 006 Phone : 033 2219 4815

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	75%
2	Industrial Alcohol		25%

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 2014]				No. of Shares held at the end of the year [As on 31st March 2015]				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	103677	0	103677	0.98	103677	0	103677	0.98	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(S)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	58,14,701	575000	63,89,701	60.03	6389701	NIL	6389701	60.03	0
e) 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)	59,18,378	575000	6493378	61.01	6493378	0	6493378	61.01	0
B. Public Shareholding									
1. Institutions	NIL	NIL	NIL	N.A.	NIL	NIL	NIL	N.A.	0
a) Mutual Funds	0	2600	2600	0.02	0	2600	2600	0.02	0
b) Banks / FI	NIL	NIL	NIL	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) FII's	NIL	NIL	NIL	N.A.	7382	0	7382	0.07	0.07
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.	
Sub-total (B)(1):-	0	2600	2600	0.02	7382	2600	9982	0.09	0.07
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	2497177	156700	2653877	24.93	2188299	6700	2194999	20.62	(4.31)
ii) Overseas	NIL	NIL	NIL	N.A.	NIL	NIL	NIL	N.A.	0
b) Individuals									

i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	927882	249717	1177599	11.07	1025338	243617	1268955	11.92	0.85
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	301006	0	301006	2.83	659562	0	659562	6.20	3.37
c) Others (specify)	NIL	NIL	NIL	N.A.	NIL	NIL	NIL	N.A.	0
i) Non Resident Indians	14945	0	14945	0.14	16529	0	16529	0.16	0.02
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):-	1243833	2903594	4147427	38.97	3889728	250317	4140045	38.90	(0.07)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1243833	2906194	4150027	38.99	3897110	252917	4150027	38.99	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)	7162211	3481194	10643405	100.00	10390488	252917	10643405	100.00	0

Note: 725000 Equity Shares issued on 01.02.2014 by preferential allotment were pending for dematerialisation on 31.03.2014, the same was admitted for dematerialisation on 02.04.2014.

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	45342	0.43	0	45342	0.43	0	0
2	Tripti Saraff	57135	0.54	0	57135	0.54	0	0
3	Garima Tibrawalla	1100	0.01	0	1100	0.01	0	0
4	Shruti Jatia	100	0.00	0	100	0.00	0	0
5	DG Vitta Vinimay & Properties Ltd.	5098484	47.90	0	5098484	47.90	0	0
6	O.P.Vanyija Ltd.	140993	1.32	0	140993	1.32	0	0
7	The Belsund Sugar & Industries Ltd.	1116165	10.49	0	1116165	10.49	0	0
8	Garima Investment & Trading Ltd.	34059	0.32	0	34059	0.32	0	0
	Total	6493378	61.01		6493378	61.01	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 Shars	% of total shares of the company	No. of Shars	% of total shares of the company
	At the beginning of the year	6493378	61.01	6493378	61.01
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):	Nil	N.A.	Nil	N.A.
	At the end of the year	6493378	61.01	6493378	61.01

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 Shars	% of total shares of the company	No. of Shars	% of total shares of the company
1	Master Capital Services Ltd.				
	At the beginning of the year	339,186	3.19		
	12.12.2014- transfer	(2,800)	0.03	336,386	3.16
	09.01.2015- transfer	(335,532)	3.15	854	0
	As at 31.03.2015	854	0.01		
2	Chitravali Barter Pvt.Ltd.				
	At the beginning of the year	300,000	2.82		
	As at 31.03.2015			300,000	2.82
3	Roongta Rising Stock Pvt. Ltd.				
	At the beginning of the year	244,989	2.3		
	04.04.2014- transfer	(20,306)	0.19	224,683	2.11
	04.11.2014- transfer	(1,310)	0.01	223,373	2.10
	16.05.2014- transfer	(7)	0.00	223,366	2.10
	30.05.2014- transfer	(2,075)	0.02	221,291	2.08
	06.06.2014- transfer	(21,490)	0.20	199,801	1.88
	13.06.2014- transfer	(8,232)	0.08	191,569	1.80
	30.06.2014- transfer	(3,901)	0.04	187,668	1.76
	05.09.2014- transfer	(3)	0.00	187,665	1.76
	12.09.2014- transfer	(15)	0.00	187,650	1.76
	19.09.2014- transfer	(12,000)	0.11	175,650	1.65
	30.09.2014- transfer	(32,000)	0.30	143,650	1.35
	31.10.2014- transfer	(38,642)	0.36	105,008	0.99
	06.02.2015- transfer	(1)	0.00	105,007	0.99
	As at 31.03.2015			105,007	0.99

4	Mountview Vintrade Pvt. Ltd.				
	At the beginning of the year	200,000	1.88		
	As at 31.03.2015			200,000	1.88
5	Sraboni Sales Pvt. Ltd.				
	At the beginning of the year	200,000	1.88		
	As at 31.03.2015			200,000	1.88
6	Moonlight Tradecomm Pvt. Ltd.				
	At the beginning of the year	150,000	1.41		
	As at 31.03.2015			150,000	1.41
7	Reliable Dealcom Pvt.Ltd.				
	At the beginning of the year	150,000	1.41		
	As at 31.03.2015			150,000	1.41
8	Universal Cine Trade Pvt. Ltd.				
	At the beginning of the year	101,000	0.95		
	As at 31.03.2015			101,000	0.95
9	Black Rose Industries Ltd.				
	At the beginning of the year	91,000	0.85		
	As at 31.03.2015			91,000	0.85
10	Raj Kumar Kudilal seksaria				
	At the beginning of the year	90,000	0.85		
	As at 31.03.2015			90,000	0.85
11	Baldeep Singh				
	At the beginning of the year	-	-		
	09.01.2015- transfer	335,532	3.15		
	As at 31.03.2015			335,532	3.15

v. Shareholding of Directors and Key Managerial Personnel :

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shars	% of total shares of the company	No. of Shars	% of total shares of the company
Mr. Ramanand Sharma, CFO				
At the beginning of the year	224	-	224	-
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/sweat equity etc.):	4.8.14 (Sale)	100	-	124
	13.10.14 (Buy)	126	-	250
At the end of the year	250	-	250	-

V. 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	1,17,27,39,917	25,87,65,590	1,06,00,000	1,44,21,05,507
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,39,99,802	9,09,939	2,36,299	1,51,46,040
Total (i+ii+iii)	1,18,67,39,719	25,96,75,529	1,08,36,299	1,45,72,51,547
Change in Indebtedness during the financial year				
*Addition	3,21,00,000	7,39,33,753	-	10,60,33,753
*Reduction	11,53,59,740	5,14,57,052	1,08,36,299	17,76,53,091
Net Change	(-8,32,59,740)	2,24,76,701	(-) 1,08,36,299	(-)7,16,19,338
Indebtedness at the end of the financial year				
i) Principal Amount	1,08,58,12,341	28,06,23,559	-	13,64,35,900
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,76,67,638	15,28,671	-	1,91,96,309
Total (i+ii+iii)	1,10,34,79,979	28,21,52,230	-	1,38,56,32,209

VI. 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	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18,15,000/-	18,15,000/-
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	4,79,146/-	4,79,146/-
	(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)	22,94,146	22,94,146/-
	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. P. Tibrawalla	Mr. S. K. Goenka	Mr. S. Borar	Mr. N. C. Manumdar	Mr. Sarad Jha	Mrs. Sulekha Dutta	
1	Independent Directors							
	Fee for attending Board meetings	-	20,000	Nil	17,500	20,000	Nil	57,500
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (1)	-	20,000	Nil	17,500	20,000	Nil	57,500
2	Other Non-Executive Directors							
	Fee for attending board committee meetings	17,500	-	-	-	-	-	17,500
	Commission							
	Others, please specify							
	Total (2)	17,500	-	-	-	-	-	17,500
	Total (B)=(1+2)	17,500	20,000	-	17,500	20,000	-	75,000
	Total Managerial Remuneration	17500	20000	Nil	17500	20000	Nil	75,000
	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
- Mr. Suyash Borar vide his letter dated 01.04.2009 expressed his intention to not to pay him sitting fee.
- Mr. Pankaj Tibrawalla resigned from the Directorship of the Company w.e.f.25.03.2015.
- Mrs.Sulekha Dutta was appointed as Additional Director w.e.f. 31.03.2015.

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CS Mr. Shailendra Prasad	CFO Mr. Ramanand Sharma	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10,22,040/-	3,77,880/-	13,99,920
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	-	1,846	1,846
	(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	10,22,040	3,79,726	14,01,766

VII. 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 DIRECTORS, KMP AND SENIOR MANAGEMENT PERSONNEL APPOINTMENT AND REMUNERATION

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 Agreement.

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Name of Entity	Nature of Relationship	Amount (Rs. in Lacs)	Particular of Loan, Guarantee and Investment
Farmers, who supply sugarcane to company's sugar factory	No Relationship	4,150.00	Guarantees given to Banks against Agriculture Loan sanctioned to the Farmers, who supply sugarcane to company's sugar factory
D. G. Vitta Vinimay & Properties Limited	Associate	77.50 (Loan) 4.17 (interest)	Maximum amount of Loan outstanding and Interest respectively during the year

Annexure - IV 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. Some of the significant measures taken are:

- (a) Installation of Variable Frequency Drive (VFD) at Boiler, Plate Type heat exchanger, Cane Belt Conveyor.
- (b) DCS controlled operation at various stations to achieve maximum efficiency. Use of capacitor near motor to maintain power factor.
- (c) Installation of DC drive having full auto control, hydraulic cane unloader, rotary screens, juice flow stabilization system, continuous sulphur burner, high efficiency centrifugal pumps, sugar bag conveying system, efficient and automatic centrifugal machines, semikestner.
- (d) Installation of travelers, High Pressure Boiler, condensensing cum extraction turbine, variable frequency drives for feed pumps, compressors and fans, heat recovery unit in Boiler, feed water heaters, distributed control system.
- (e) Recycling of process water to conserve natural resources. Replacement of conventional inefficient bulbs with efficient CFL and LED lights.

The above 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 expected to supply surplus power from next financial year.
- (c) During off-season also the boiler run on bagasse, thus saving fuel.

(iii) The Capital investment on energy conservation equipments during the year 2014-15 was Rs. Nil.

B. TECHNOLOGY ABSORPTION:

The company carried out the following technology absorption activities during the financial year 2014-15 :

(i) Sugarcane Development

- (a) Soil Analysis and Nutrition
- (b) Soil Testing Lab
- (c) Tissue Culture
- (d) Microbial Culture Laboratory
- (e) Biological Control of Cane Crop
- (f) Heat Treatment Therapy to treat Sugarcane Seeds
- (g) Pest Control Measures to protect Sugar Cane from diseases.

- (h) Multiplication of foundation Cane Seeds by rearing in Nurseries
- (i) Ratoon Management for Sugar Cane crops.
- (j) Installation GPS, HHT for cane survey.

The above measures will result into high yielding disease-free cane and higher financial return to the Cane Growers. Microbial Lab will increase the fertility of soil by restoring its vital components.

- (ii) Utilisation of by-products:
 - (a) Manufacture of Bio-Compost & Vermi- Compost by using Pressmud and Distillery Effluents.
 - (b) Co-gen of power from bagasse.

The above measures results into advent of Bio-Fertilizer and cheaper duly treated Effluent Water, rich in nutrients, which are beneficial to the farmers, factory and environment and achievement of zero water discharge and pollution level below the maximum norms set by government and co-gen.

- (iii) The company has not imported any technology.
- (iv) Expenditure incurred on Research and Development: Rs.6.80Lacs

C. FOREIGN EXCHANGE EARNING AND OUTGO:

	Financial Year 31st March, 2015	Financial Year 31st March, 2014
(i) Total Foreign Exchange Earnings	Nil	Nil
(ii) Used (Rs. in Lacs)	237.07	277.54

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

(For the financial year ended 31st March, 2015)

[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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Riga Sugar Company Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Riga Sugar Company Limited ("The Company") for the financial year ended on 31st March, 2015 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - 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;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ; Not applicable
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable
 - 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; Not applicable
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable
- VI. 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 Cess Act, 1982

- c. Levy Sugar Price Equalisation Fund Act, 1976
- d. Sugar Development Fund Act, 1982
- e. Food Safety and Standards Act, 2006

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India (not applicable during the audit period under review, as the same was not notified).
- ii) The Listing Agreements entered into by the Company with the Stock Exchanges .

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

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:

We 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 changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, 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 clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes maintained by the company for the Board/Committee and Shareholders, we noticed that all decisions were approved by the respective Board/Committee and shareholders without any dissent note.

We 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.

We further report that during the audit period the company has:-

- (i) allotted 18,00,000 Equity Share Warrants , pursuant to section 62,23(1)(b), 42 and all other applicable provisions of the Companies Act,2013 and in accordance with SEBI Regulations on 25th September,2014, on Preferential basis, which is pending for conversion within 18 months. On full conversion the Equity Shares will increase from 1,06,43,405 to 1,24,43,405.
- (ii) increased the Borrowing limit upto Rs.200 Crores by passing Special Resolution pursuant to Section 180(1)(c) of the Companies Act,2013, in the Annual General Meeting held on 11th September,2014.
- (iii) taken the consent of the members by passing Special Resolution pursuant to section 180(1)(a) of the Companies Act,2013, in Annual General Meeting held on 11th September,2014, authorising the Board of Directors for creation of such mortgages,charges and hypothecations , as may be necessary, on such of the assets of the Company, in such manner as the Board may consider necessary.

For **H.M. Choraria**
Company secretaries

(H.M.Choraria)
Proprietor
FCS 2398
CP No. 1499

Place: Kolkata
Date : 29th May, 2015

Annexure - VI 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 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial Year 2014-15 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 2014-15 (Rs. in Lac)	% increase in Remuneration in the Financial Year 2014-15	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	22.94	10%	14.56	Net sales increased by 15 % during 2014-15. Net loss was Rs.1040.10 lacs in 2014-15 as against net loss of Rs.295.88 lacs in 2013-14
2.	Mr. Suyash Borar-Independent Director *	Nil	--	--	
3.	Mr. N.C.Majumdar -Independent Director	0.18	NIL	--	
4.	Mr. P.Tibrawalla-Non Independent and Non Executive Director	0.18	-10%	0.11	
5.	Mr. Sarad Jha-Independent Director	0.20	NIL	0.13	
6.	Mr.S.K.Goenka-Independent Director	0.20	14%	0.13	
7.	Mrs.Sulekha Dutta ***	Nil	NA	--	
8.	Mr.S.Prasad-Company Secretary	10.22	10.8%	6.47	
9.	Mr.R.N.Sharma - CFO	3.80	2.4%	2.41	

Note: (i) Remuneration to the Independent Directors and Non-Executive Directors consisting of only sitting fee in 2013-14 and 2014-15.

* Mr.Suyash Borar vide his letter dated 01.04.2009 expressed his intention to not to pay him sitting fee.

** Mr.Pankaj Tibrawalla resigned from the directorship w.e.f.25.03.2015.

***Mrs. Sulekha Dutta was appointed as Additional Director w.e.f. 31.03.2015.

(ii) The median remuneration of employees of the Company during the Financial Year was Rs. 1.58 lacs.

(iii) In the financial year, there was an increase of 5.27 % in the median remuneration of the employees.

(iv) Number of permanent employees on the rolls of the Company as on 31.03.15 were 636.

(v) Net Sales during the year 2014-15 was Rs. 18,459.67 lacs as compared to Rs 16,086.30 lacs during 2013-14. Net loss was Rs. 1,040.10 lacs in 2014-15 as against net loss of Rs. 295.88 lacs in 2013-14. Increase in median remuneration of employees during the year was 5.27%. The average increase in remuneration was in line with the sales performance of the Company.

- (vi) The total remuneration of Key Managerial Personnel's increased by 9.47% from Rs. 33.76 lacs in 2013-14 to Rs. 36.96 lacs in 2014-15. Net loss during 2014-15 was Rs. 1040.10 lacs as against net loss of Rs. 295.88 lacs in 2013-14.
- (vii) a) Variations in the Market capitalization of the Company: The Market capitalization as on 31.03.2015 was Rs. 1094.14 Lacs and as on 31.03.2014 was Rs. 1474.11Lacs.
- b) Price earnings ratio of the Company as at 31.03.2014 and 31.03.2015 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 31.03.2015, the closing market price of one Equity share was Rs. 10.28. Therefore, an amount of Rs. 100 invested in the said IPO would be worth Rs. 20.56 as on 31.03.2015. This excludes the dividend payout.
- (viii) Average percentage increase made in the salaries of employees other than the Managerial Personnel in the financial year 2014-15 was 5.6% , whereas the managerial remuneration was increased during the financial year 2014-15 by 12.20%.
- (ix) The Non -executive Directors were paid sitting fee of Rs. 2,500/- for attending the each Board Meeting. 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- Nil.
- (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

Name	Designation, Nature of duties	Remuneration (Rs.)	Qualification and experience (years)	Age (Years)	Date of commencement of employment	Last employer, designation
N.A.	N.A.	NIL	N.A.	N.A.	N.A.	N.A.

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, 2015 comprises of an Executive Chairman cum Managing Director (CMD) and five 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 clause 49 of the Listing agreement entered into with the Stock Exchanges. 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, 2015, 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 as prescribed under Clause 49. The details are as follow:-

Sl. No.	Date of Board Meeting	Board Strength	No. of Directors Present	No. of Independent Directors Present
1	25.05.2014	6	6	4
2	29.05.2014	6	5	3
3	12.08.2014	6	5	3
4	26.09.2014	6	5	3
5	08.11.2014	6	5	3
6	14.02.2015	6	4	3
7	17.03.2015	6	5	3
8	31.03.2015	6	4	3

The composition of the Board of Directors as at 31st March, 2015, 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 11.09.2014	Shareholding in the Company
Mr. O. P. Dhanuka Chairman & Managing Director	Promoter & Executive	3	Nil	7	Yes	Nil
Mr. Pankaj Tibrawalla Resigned w.e.f. 25.03.2015	Non- Promoter & Non-Executive	2	1	7	Yes	Nil
Mr. Suyash Borar	Independent & Non-executive	Nil	1	2	No	Nil
Mr. S. K. Goenka	-do-	3	2	8	Yes	Nil
Mr. N. C. Majumdar	-do-	Nil	-	7	Yes	Nil
Mr. Sarad Jha	-do-	3	2	8	Yes	Nil
Mrs. Sulekha Dutta Appointed w.e.f. 31.03.2015	-do-	1	1	N.A.	N.A.	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.

Note 4: Mr.O.P.Dhanuka, CMD is related to Mr.Pankaj Tibrawalla, Director as per section 2(77) of the Companies Act, 2013. Pankaj Tibrawalla is 'son-in-law' of Mr. O.P.Dhanuka.

All the independent directors qualify the conditions for being independent director as prescribed under clause 49. The Board periodically reviews compliance reports of all laws applicable to the Company and necessary steps are being taken to ensure the compliance in law and spirit.

As required under Annexure I to clause 49 of the Listing Agreement with the Stock Exchanges, 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.2,500/- 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 clause 49 of the Listing Agreement.

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 clause 49 of the Listing agreement. The terms and conditions of appointment of independent directors are placed on the company' website.

Performance evaluation

Pursuant to the provisions of the Companies Act, 2013 and clause 49 of the Listing Agreement, 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 revised clause 49 of the Listing Agreement, the independent directors held their separate meeting on 17th March 2015, 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 except Mr. Suyash Borar were present at the meeting. The independent directors present at the meeting deliberated on the above and expressed their satisfaction.

Transaction with Board Members. KMP and Senior Management.

There were no materially significant transactions during the Financial Year with Board Members 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

AUDIT COMMITTEE

The Audit committee has been constituted in line with provisions of clause 49 of the Listing Agreement and section 177 of the Companies Act, 2013.

The audit Committee has been vested with the following powers:

- (a) To investigate any activity within its terms of reference
- (b) To seek information from any employee.
- (c) To obtain outside legal and other professional advice.
- (d) To secure attendance of outsiders with relevant expertise, if it consider necessary.

Role of Audit Committee

- (1) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- (2) Recommending to the Board, the appointment, remuneration and terms of appointment of the statutory auditor.
- (3) Approval of payment of statutory auditors for any other services rendered by the statutory auditors.
- (4) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:-
 - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub- section (3) of section 134 of the Companies Act, 2013.
 - (b) Changes, if any, in accounting policies and practices and reasons for the same.
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - (d) Significant adjustments made in the financial statements arising out of audit findings
 - (e) Compliance with listing and other legal requirements relating to financial statements
 - (f) Disclosure of any related party transactions
 - (g) Qualifications in the draft audit report.
- (5) Reviewing , with the management, the quarterly financial statements before submission to the Board for approval.
- (6) Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- (7) Review and monitor the auditors's independence and performance , and effectiveness of audit process.
- (8) Approval or any subsequent modification of transactions of the company with related parties;
- (9) Scrutiny of inter-corporate loans and investments;
- (10) Valuation of undertakings or assets of the company, wherever it is necessary;
- (11) Evaluation of internal financial controls and risk management systems;
- (12) Reviewing , with the management, performance of statutory and internal auditors, adequacy of internal control systems;
- (13) Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- (14) Discussion with internal auditors of any significant findings and follow up there on;
- (15) Reviewing the finding of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of material nature and reporting the matter to the boards;
- (16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well post-audit discussion to ascertain any area of concern;

- (17) To look into the reasons for substantial defaults in the payment to the depositors, debentures holders, shareholders (in case of non-payment of declared dividend) and creditors;
- (18) To review the functioning of Whistle Blower mechanism;
- (19) Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee may also review such matters as considered appropriate by it or referred by the Board.

The Audit Committee comprises of 3 directors, all 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 2014-15 on 27.05.2014, 11.08.2014, 07.11.2014 and 13.02.2015

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

<u>Name of Members</u>	<u>Status</u>	<u>No. of Meetings attended</u>
Mr. Sarad Jha (Chairman)	Independent & Non-Executive	4
Mr. Suyash Borar	-do-	3
Mr.S.K.Goenka	-do-	4

Mr.Sarad Jha, Chairman attended the AGM held on 11.09 2014 and replied to the queries to the satisfaction of the shareholders.

Nomination and Remuneration committee

The Remuneration 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 the companies Act, 2013 and clause 49 of the Listing Agreement. The Nomination and Remuneration Committee comprises of 3 Directors all of whom are non-executive, Independent Directors. The members of the Committee are Mr.S.K.Goenka, Mr. Suyash Borar and Mr. N.C.Majumdar.

During the Financial Year 2014 -15 two Nomination and Remuneration Committee Meeting was held on 27th May, 2014 and 27th March, 2015. The composition and attendance of the members of the Nomination and remuneration Committee are as follow:-

<u>Name of Members</u>	<u>Status</u>	<u>No. of Meetings attended</u>
Mr.S.K.Goenka - (Chairman)	Independent & Non-Executive	2
Mr. Suyash Borar	-do-	2
Mr. N.C.Majumdar	-do-	2

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 2014-15

<u>Name of the Director</u>	<u>Sitting Fee</u>	<u>Salaries</u>	<u>Perquisites/ Benefits</u>	(Amount in Rs.) <u>Total</u>
Mr. O.P.Dhanuka, Chairman - Managing Director	--	18,15,000/-	4,79,146/-	22,94,146/-
Mr. P.Tibrawalla	17,500			17,500
Mr. S. Borar	-			-
Mr. S.K.Goenka	20,000			20,000
Mr.N.C.Majumdar	17,500			17,500
Mr.Sarad Jha	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 1st March,2014 to 28th February,2017.

Familiarization Programme

With a view to familiarizing the Independent Directors with the company's operations as required under clause 49 of the Listing Agreement, 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. S.K. Goenka. and Mrs.Sulekha Dutta. Mr. S.Prasad, Company Secretary is Ex-officio Secretary of the Share Transfer Committee. During financial year 2014-15 10 No. of share transfer committee meetings were held 30.04.2014, 15.07.2014, 31.07.2014, 12.09.2014, 26.09.2014, 31.10.2014, 30.12.2014, 10.01.2015, 31.01.2015 and 28.02.2015. .

(ii) Stakeholders Relationship Committee

In compliance with the provision of section 178 of the Companies Act, 2013 and clause 49 of the Listing Agreement 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 2014-15, the Committee met on 07.04.2014, 07.07.2014, 07.10.2014 and 07.01.2015 (four meetings).

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

<u>Name of Members</u>	<u>Status</u>	<u>No. of Meetings attended</u>
Mr. S.K.Goenka	Independent & Non-Executive	4
Mr.Sarad Jha	-do-	4
Mr. Pankaj Tibrawalla • Resigned w.e.f.25.03.2015.		4
Mrs. Sulekha Dutta *elected w.e.f.31.03.2015	-do-	N.A.

Shareholder complaints received and redressed during the Financial Year 2014-15

Nature of Grievances	Complaints received from				Total Complaints received during 2014-15	Total Complaints resolved	No. of complaints outstanding as on 31st March, 2015
	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. S. Prasad , Company Secretary, is the Compliance Officer.

Address: Riga Sugar Co. Ltd.
14, Netaji Subhas Road, Kolkata- 700 001
Phone No. 033 2231 3414/15
Fax: 033 2230 3663
e-mail.:sprasad@rigasugar.in

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
31.03.2014	Sitaram Seksaria Sabhagar(Auditorium) Bhartiya Bhasa Parishad, 36A, Shakespeare Sarani, Kolkata- 700 017	11th September 2014 at 10.00 a.m.	4
31.03.2013	Sitaram Seksaria Sabhagar(Auditorium) Bhartiya Bhasa Parishad, 36A, Shakespeare Sarani, Kolkata- 700 017	27th September, 2013 at 10.00 a.m	None
31.03.2012	Sitaram Seksaria Sabhagar(Auditorium) Bhartiya Bhasa Parishad, 36A, Shakespeare Sarani, Kolkata- 700 017	27th September, 2012 at 10.00 a.m.	None

One Extra-Ordinary General Body Meeting was held during last 3 years on 06.11.2012. During last three years one deemed Extra -Ordinary General Meeting was held on 21st March,2014 for declaration of result of resolution put through postal ballot.

In aforesaid Extra Ordinary General Meetings the following Resolutions were passed:

<u>Date of Extra Ordinary General Meeting/Postal Ballot</u>	<u>Resolution Description</u>	<u>Voting pattern</u>
EGM : 06.11.2012	Special Resolution in terms of section 81(1A) and all other applicable provisions, if any of the Companies Act, 1956 for issue of Convertible Equity Share Warrants on Preferential basis.	By show of hands

In Postal Ballot resolution passed on 21st March, 2014 the following resolution was passed:-

- (a) To give loan to any Body Corporate, to give any Guarantee or Counter Guarantee or security in connection to any person and acquire Shares and Securities of any other Body Corporate under 372A of the Companies Act, 1956.

DISCLOSURES

- (i) The details of related party transactions is mentioned in note no. 33 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) There has been one case of penalty for late filing of Annual Report to BSE within prescribed time limit. There was no other 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.
- (iii) None of the Non-Executive Directors hold equity shares or convertible instruments of the Company as on 31.03.2015.
- (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 clause 49 of the Listing Agreement, 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.

- (vi) The company has no unlisted subsidiary company as defined in the clause 49 of the Listing Agreement.
- (v) Pursuant to the provisions of clause 49 of the Listing Agreement with the Stock Exchanges, the Managing Director and the CFO have issued a certificate to the Board, for the financial year ended 31st March, 2015.

MEANS OF COMMUNICATION

The Quarterly, Half yearly and Annual Results were published in the leading English and Bengali Newspapers such as 'The Financial Express, Business Standard and 'Ekdin' (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 Clause 52 of the Listing Agreement with stock exchanges, 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 sprasad@rigasugar.in

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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.

The Company has an adequate system of internal controls to ensure that transactions are properly recorded, authorized and reported apart from safeguarding its assets. The internal control system is supplemented by well documented policies, guidelines and procedures and review carried out by the Company's internal audit function which submits reports periodically to the Management and the Audit Committee of the Board.

There has been no material development in Human Resources/Industrial Relations during the period covered by this Annual Report. Your Company has a favorable work environment that motivates performance, customer focus and innovation while adhering to the high degree of quality and integrity. Training programme are being organized to impart further innovative ideas and knowledge as well as to upgrade the skill of the employees.

Manpower figures of the Company as on 31.03.2015 was 636.

GENERAL SHAREHOLDERS INFORMATION

- (i) Annual General Meeting

Date and Time : 29th September, 2015 at. 10.00 a.m.

Venue : Sitaram Seksaria Sabhagar (Auditorium)
Bhartiya Bhasa Parishad,
36A, Shakespeare Sarani,
Kolkata- 700 017

- (ii) Financial Year Calendar for 2015-2016

Results for quarter ending, June, 2015	second week of August, 2015
Results for quarter ending, September, 2015	second week of November, 2015
Results for quarter ending, December, 2015	second week of February, 2016
Results for quarter ending March, 2016	second week of May, 2016 (Unaudited) OR last week of May, 2016 (if audited)

- (iii) Date of Book Closure

26.09.2015 to 29.09.2015

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

18,00,000 Equity Share Warrants allotted on 25th September, 2014 on Preferential Allotment basis, pending for conversion within 18 months. On full conversion the equity share will increase from 1,06,43,405 to 1,24,43,405.

LISTING OF EQUITY SHARES ON STOCK EXCHANGES AT

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

- (ii) Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400 001

LISTING FEES

Listing fee for the year 2014-15 and 2015-16 has been paid to the above Stock Exchanges.

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-400023

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 . 2014	-	-	-	15.34	12.90	48755
May. 2014	-	-	-	15.85	11.11	52202
June. 2014	-	-	-	18.80	14.95	159684
July. 2014	-	-	-	18.20	13.60	20912
Aug. 2014	-	-	-	15.70	12.15	24143
Sept. 2014	-	-	-	15.00	10.40	108221
Oct. 2014	-	-	-	11.82	9.10	98061
Nov. 2014	-	-	-	12.85	9.31	46466
Dec. 2014	-	-	-	12.70	9.40	24346
Jan. 2015	-	-	-	12.10	10.35	25862
Feb. 2015	-	-	-	12.50	9.60	31043
Mar. 2015	-	-	-	10.99	9.00	24247

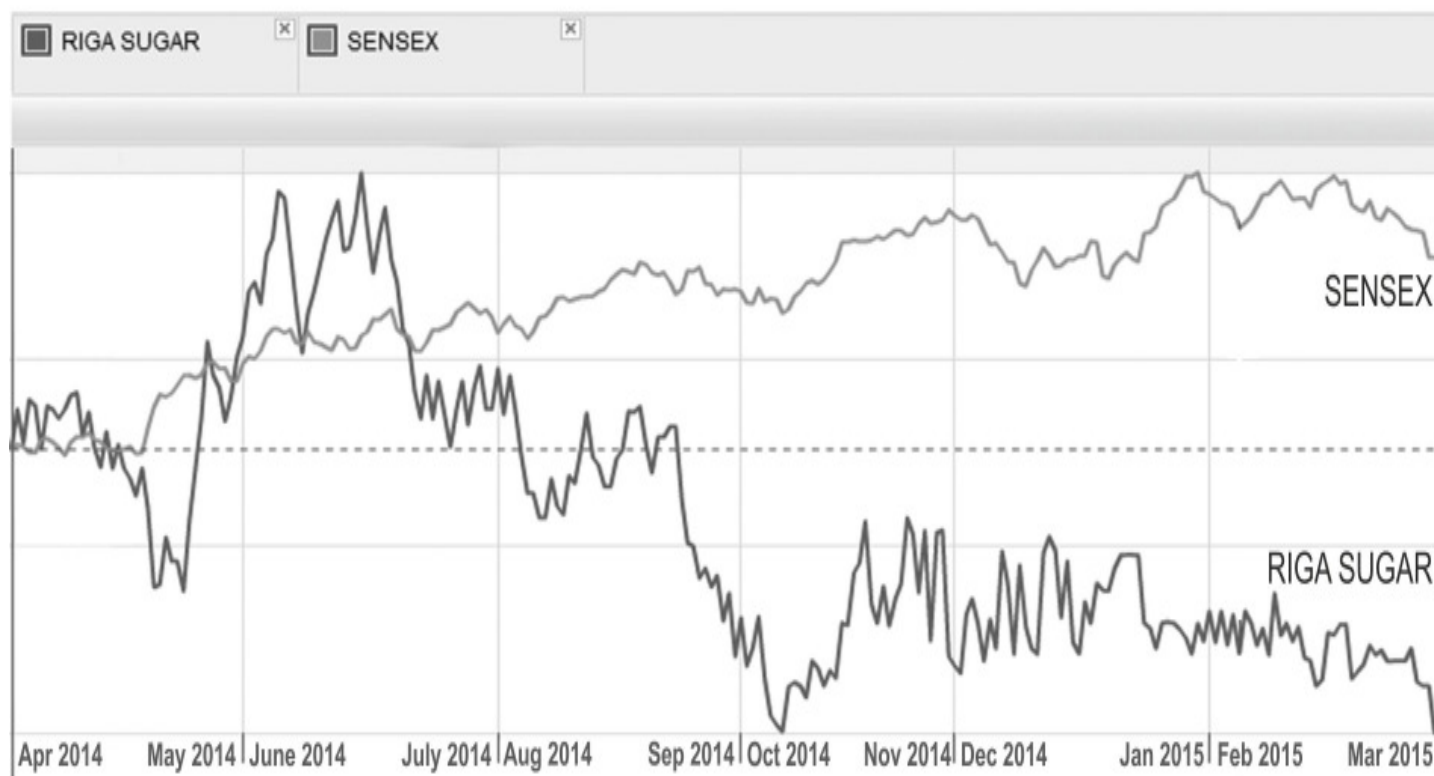
Note: There was no trading in Calcutta Stock Exchange during the year.

Share Price Performance in comparison to BSE Sensex.

BSE Sensex	
% change in RSCL share price	% change in Sensex
(-)25.78%	(+) 24.89%

Financial Year ended 31st March, 2015

MOVEMENT OF SHARE PRICE VIS-A-VIS SENSEX

**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.
34/1A, Sudhir Chatterjee Street,
Kolkata-700006
Phone : 033 2219 6797 Fax : 033 2219 4815

CATEGORIES OF SHAREHOLDING AS ON 31ST MARCH, 2015

Category	Number of Shares	Percent of total shares
Promoters	64,93,378	61.01
Foreign Institutional Investors	7,382	0.07
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)	21,94,999	20.62
Non-Resident Indian(NRI) and Overseas Corporate Bodies(OCB)	16,529	0.16
Indian Public	19,28,517	18.12
TOTAL	1,06,43,405	100.00

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2015

<u>Shareholding Range</u>	<u>Number of shareholders</u>	<u>% of Shareholders</u>	<u>No. of Shares</u>	<u>% of Shareholding</u>
1-500	5546	91.81	631869	5.94
501-1000	235	3.89	190400	1.78
1001-2000	103	1.71	156746	1.47
2001-3000	45	0.74	111714	1.05
3001-4000	27	0.45	97676	0.92
4001-5000	8	0.13	38370	0.36
5001-10000	28	0.46	218660	2.05
10001-50000	29	0.48	676489	6.36
50001-100000	9	0.15	624300	5.87
100001 and above	11	0.18	7897181	74.20
TOTAL	6041	100.00	10643405	100.00

DEMATERIALISATION OF SHARES AND LIQUIDITY

	<u>No.</u>	<u>%</u>
Demat in CDSL	13,82,701	12.99
Demat in NSDL	90,07,787	84.63
Physical	2,52,917	02.38
Total	1,06,43,405	100.00

97.62% equity Shares of the Company have been dematerialized as on 31st March, 2015.

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	(iii) COUNTRY LIQUOR Kothiya P.O. Mushari Dist. Muzzafarpur Bihar - 842 001
----------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------

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.S.Prasad (Phone No.2231-3414, E-mail sprasad@rigasugar.in)

DECLARATION BY THE MANAGING DIRECTOR ON THE CODE OF CONDUCT

Pursuant to clause 49 of the Listing Agreement with Stock Exchanges, I, O.P.Dhanuka, Managing Director of Riga Sugar Co. Ltd., declare that all the Board Members and senior Executives of the Company have affirmed their compliance with the Code of Conduct of the Company during the financial year 2014-15.

Kolkata
29.05.2015

O.P.Dhanuka
Chairman - Managing Director

CMD & CFO Certification

The Board of Directors
Riga Sugar Co.Ltd.
Kolkata.

Re: Financial Statements for the Financial Year 2014-15 Certification by CMD and CFO

We, O.P.Dhanuka, Managing Director and Mr. R. N. Sharma, 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, 2015 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, 2015 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
29.05.2015

R. N. Sharma
CFO

O.P.Dhanuka
Chairman - Managing Director

CERTIFICATE

To the Members of Riga Sugar Company Limited

We have examined the compliance of conditions of corporate governance by Riga Sugar Company Limited for the year ended 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our 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 our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We 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.

For **K.N. GUTGUTIA & CO.**
Chartered Accountants

(CA. Subhasish Pore)
Partner
(Membership No. 55862)

6C, Middleton Street
Kolkata-700071
29.05.2015.

K.N. GUTGUTIA & CO.

CHARTERED ACCOUNTANTS
KOLKATA • NEW DELHI

PHONE : 2287-3735/56
FAX : 91-033-2287 3756
6C, MIDDLETON STREET
FLAT NO. 23 (2ND FLOOR)
KOLKATA-700071
E-mail : kng_kol@vsnl.net

INDEPENDENT AUDITOR'S REPORT

**TO
THE MEMBERS OF
RIGASUGAR COMPANY LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of RIGASUGAR COMPANY LIMITED ("the company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information,.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2015 (the Order) issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the Annexure a statement on the matters specified in the 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - (f) 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 - Refer Note 31 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.

For **K. N. Gutgutia & Co.**
Chartered Accountants
(ICAI Firm Registration No. 304153E)

CA SUBHASISH PORE
Partner
Membership No. 55862

Kolkata
29th May, 2015

K.N. GUTGUTIA & CO.

CHARTERED ACCOUNTANTS

Annexure

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) These fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
- (ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management;
- (b) The procedures of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and nature of its business;
- (c) The company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification;
- (iii) The company has granted loans, secured or unsecured, to companies covered in the register maintained under section 189 of the Companies Act:
 - (a) The receipt of the principal amount and interest are also regular; and
 - (b) There is no overdue amount of more than rupees one lakh;
- (iv) There is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. There is no major weaknesses in internal control system;
- (v) The company has not accepted deposits from the public;
- (vi) Maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Act and such accounts and records have been made and maintained;
- (vii) (a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities;

No undisputed amount payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears as at 31st March, 2015 for a period of more than six months from the date they become payable.
- (b) There is no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute other than those mentioned in Annexure I to the report.

- (c) The amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time;
- (viii) The accumulated losses of the company at the end of the financial year are not less than fifty percent of its net worth and it has incurred cash losses in such financial year but not in the immediately preceding financial year;
- (ix) The company has not defaulted in repayment of dues to bank;
- (x) The company has given guarantee for loans taken by others from bank and the terms and conditions thereof are not prejudicial to the interest of the company;
- (xi) Term loans were applied for the purpose for which such loans were obtained;
- (xii) According to information and explanations given to us, no instance of material fraud on or by the company has been noticed or reported during the course of our audit.

For K. N. Gutgutia & Co.
Chartered Accountants
(ICAI Firm Registration No. 304153E)

CA SUBHASISH PORE
Partner
Membership No. 55862

Kolkata
29th May, 2015

Annexure-I

Name of Statute	Nature of dues	Amount demanded (Rs. in Lacs)	Amount deposited under dispute	Period to which amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise duty demand bio-compost	41.70	NIL	2006-07 to 2010-11	CESTAT
The Central Excise Act, 1944	Excise duty demand on pressmud, Bagasse bio-compost	5.04	NIL	2011-12 to 2012-13	CESTAT

Balance Sheet as at 31st March, 2015

	<u>Note No.</u>	<u>As at 31.03.2015 Rs.</u>	<u>As at 31.03.2014 Rs.</u>
I. EQUITY AND LIABILITIES			
1) Shareholders' Funds			
a) Share Capital	2	106,434,050	106,434,050
b) Reserve and Surplus	3	763,265,531	553,685,036
c) Money Received against share warrants	2	6,840,000	-
		<u>876,539,581</u>	<u>660,119,086</u>
2) Non-current Liabilities			
a) Long Term Borrowings	4	283,740,867	360,928,181
b) Long Term Provisions	5	50,980,000	45,582,000
		<u>334,720,867</u>	<u>406,510,181</u>
3) Current Liabilities			
a) Short Term Borrowings	6	1,004,795,033	1,005,949,326
b) Trade Payable	7	1,176,620,609	950,801,252
c) Other Current Liabilities	8	234,490,254	164,988,471
d) Short-term Provisions	9	3,385,000	3,899,000
		<u>2,419,290,896</u>	<u>2,125,638,049</u>
TOTAL		<u>3,630,551,344</u>	<u>3,192,267,316</u>
II. ASSETS			
(1) Non-current Assets			
a) Fixed Assets			
i) Tangible Assets	10	1,453,701,046	1,149,199,587
ii) Intangible assets	10	1,972,809	1,410,284
iii) Capital work-in-progress	10	52,249,407	43,065,687
		-	-
		<u>1,507,923,262</u>	<u>1,193,675,558</u>
b) Deferred Tax Assets (Net)	11	72,127,953	31,945,857
c) Long term loans and advances	12	256,197	246,063
		-	-
		<u>1,580,307,412</u>	<u>1,225,867,478</u>
(2) Current Assets			
(a) Inventories	13	1,756,245,424	1,749,465,314
(b) Trade Receivables	14	40,778,571	26,383,746
(c) Cash and Cash equivalents	15	8,873,881	17,099,124
(d) Short-term loans and advances	16	17,744,493	24,638,339
(e) Other current assets	17	226,601,563	148,813,315
		<u>2,050,243,932</u>	<u>1,966,399,838</u>
TOTAL		<u>3,630,551,344</u>	<u>3,192,267,316</u>

Significant Accounting Policies

Notes on Financial Statements

In terms of our Report of even date attached herewith.

For **K.N.GUTGUTIA & CO.**

CHARTERED ACCOUNTANTS

(ICAI Firm Registration No. 304153E)

(CA. SUBHASHISH PORE)

Partner

Membership No. 55862

6C, Middleton Street, Kolkata - 700 071

29th May, 2015

R. N. Sharma
C.F.O.

S. Prasad
Company Secretary

O. P. Dhanuka
Chairman &
Managing Director

N. C. Majumdar
S. Jha
S. K. Goenka
Sulekha Dutta
Directors

Statement of Profit and Loss for the year ended 31st March, 2015

	<u>Note No.</u>	<u>As at</u> <u>31.03.2015</u> Rs.	<u>As at</u> <u>31.03.2014</u> Rs.
INCOME			
Revenue from operations	18	1,861,154,535	1,628,997,285
Other Income	19	1,847,873	4,304,408
Total Revenue		<u>1,863,002,408</u>	<u>1,633,301,693</u>
EXPENDITURE			
Cost of materials consumed- Indigenous	20	1,407,359,807	1,367,600,523
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	6,765,586	(268,552,169)
Employee benefits expense	22	150,131,699	133,989,457
Finance costs	23	160,745,879	131,829,301
Depreciation and amortization expenses	24	39,601,301	59,117,765
Other Expenses	25	242,589,737	236,534,503
Total expenses		<u>2,007,194,009</u>	<u>1,660,519,380</u>
Profit (Loss) before exceptional item		(144,191,601)	(27,217,687)
Exceptional Item	26	-	-
Profit (Loss) before Tax		(144,191,601)	(27,217,687)
Tax expense :			
(a) Income Tax of Current Year		-	-
(b) Income Tax for earlier years		-	2,283
(c) Deferred tax		(40,182,096)	2,368,070
Profit (Loss) for the year		(104,009,505)	(29,588,040)
Earning per equity share of face value of Rs.10 each			
Basic and Diluted	27	(9.77)	(3.00)
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 36		

In terms of our Report of even date attached herewith.

For **K.N.GUTGUTIA & CO.**

CHARTERED ACCOUNTANTS

(ICAI Firm Registration No. 304153E)

(CA. SUBHASISH PORE)

Partner

Membership No. 55862

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S. Jha
S. K. Goenka
Sulekha Dutta
Directors

Cash Flow Statement for the Year ended 31st March, 2015

	For the year ended <u>31.03.2015</u>	For the year ended <u>31.03.2014</u>
(Rs. in Lacs)		
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit (Loss) before tax and extra ordinary items	(1,441.92)	(272.18)
Adjustment for:		
Depreciation	396.01	591.18
Finance Charges	1,607.46	1,318.29
Interest/ Other Income	(1.41)	(0.12)
(Profit) Loss on sale of Investment	-	-
Liability no longer required written back	(3.20)	(38.77)
(Profit) Loss on Sale of Fixed Assets	(7.51)	5.96
Wealth tax paid	-	0.02
Operating Profit before Working Capital Changes	549.43	1,604.38
Adjustments For:		
Trade and other Receivables	(844.54)	(251.52)
Inventories	(67.80)	(2,894.33)
Trade & Other Payables	2,955.36	2,822.07
Cash Generated from Operating Activities	2,592.45	1,280.60
Income Tax (payment) refund (Net)	(8.45)	(7.51)
Net Cash from Operating Activities (A)	2,584.00	1,273.09
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(411.70)	(546.37)
Sale/Purchased of Investment	-	-
Sale of Fixed Assets	16.63	7.17
Capital Subsidy Received	-	-
Dividend Received	-	-
Interest Received	1.41	0.12
Net Cash used in Investing Activities (B)	(393.66)	(539.08)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from allotment money received on Share Capital	68.40	187.05
Proceeds from Long Term Borrowing (including funded Interest)	321.00	1,144.44
Repayment of Long Term Loan	(1,066.16)	(477.16)
Repayment/proceed from short term borrowing	(11.54)	(416.28)
Dividend paid	(2.05)	0.00
Finance Cost Paid	(1,582.24)	(1,211.04)
Net Cash from Financing Activities (C)	(2,272.59)	(772.99)
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENT (A+B+C)	(82.25)	(38.98)
OPENING BALANCE OF CASH & CASH EQUIVALENTS	170.99	209.97
CLOSING BALANCE OF CASH & CASH EQUIVALENTS	88.74	170.99

(1) Cash and cash equivalent consists of cash on hand and balances with Banks.

(2) Figures for the previous year have been regrouped/re-casted wherever necessary.

For **K.N.GUTGUTIA & CO.**

CHARTERED ACCOUNTANTS

(ICAI Firm Registration No. 304153E)

(CA. SUBHASISH PORE)

Partner

Membership No. 55862

6C, Middleton Street, Kolkata - 700 071

29th May, 2015

R. N. Sharma
C.F.O.

S. Prasad
Company Secretary

O. P. Dhanuka
Chairman &
Managing Director

N. C. Majumdar
S. Jha
S. K. Goenka
Sulekha Dutta
Directors

1. SIGNIFICANT ACCOUNTING POLICIES :**(a) Basis of Preparation of accounts :**

The accounts have been prepared based on 'historical cost' (except for certain fixed assets which are revalued) and governing statutes of India except otherwise stated.

(b) Use of Estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to contingent assets and liabilities as at the balance sheet date and the reported amount of income and expenditure during the year.

(c) Revenue:

Revenue are recognized on the basis of certainty of their ultimate collection.

(d) Provisions

Provisions are recognized where reliable estimates can be made for probable outflow of resources to settle present obligation as a result of past event and the same is reviewed at each balance sheet date.

(e) Prior Period Items

Prior period expenses/income 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.

(f) Sales:

Sales include Excise Duty, Inter-divisional transfers but excludes sale tax/VAT.

(g) Government Grants and subsidies

Government grants and subsidies identifiable with specific fixed assets are adjusted against the value of those fixed assets. Government grants and subsidies not identifiable with any fixed assets are credited to Capital Reserve.

Government grants and subsidies identifiable with specific revenue expenses are adjusted with such revenue expenses. Government grants and subsidies not identifiable with any specific revenue expenses, are accounted for as other income.

(h) Research & Development:

Revenue Expenditure is charged to Profit & Loss Account and Capital Expenditure is added to the cost of Fixed Assets in the accounting year in which it is incurred.

(i) Expenditure on Modernisation and Expansion:

Expenses directly related to the Modernisation/Expansion Project are capitalised. Interest and financial Charges during construction period are also capitalised. Expenses incurred for arranging finance for capital project are amortized over the period of 10 years.

(j) Borrowing Cost:

Borrowing cost attributable to the acquisition and construction of fixed assets/projects are capitalized till it is put into use for intended future benefit

(k) Fixed Assets:

Fixed Assets are stated at their original cost comprising purchase price, taxes and duties but net of Modvat/Cenvat credit allowed. All costs attributed to bring such assets to working condition and relative borrowing costs attributable to the acquisition and construction of fixed assets are capitalized till put into use for intended use. Capital subsidy received is reduced from cost of relevant fixed assets. The cost of fixed assets may undergo changes subsequent to its acquisition or construction on account of exchange fluctuation, price adjustments, changes in duties or similar factors. The discarded/ obsolete fixed assets are transferred to scrap with recoupment of gross value and accumulated depreciation.

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

Impairment losses, if any, are recognized in accordance with the Accounting Standard specified under section 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) rule, 2014.

(l) Depreciation:

Depreciation on tangible assets is provided on the straight line method over the useful life of the assets estimated by the management. Depreciation for assets purchased/sold during the year is proportionately charged. The management estimates the useful life for tangible fixed assets as follow:-

Building- Factory	-30 years
Building- Non-Factory	- 60 years
Plant and Machineries	-25 years
Furniture and Fixture	- 5 years
Computer and Data Processor	- 3 years
Vehicle	- 8 years

Intangible assets are amortized over a period of ten years.

(m) Inventory:

<u>Description</u>	<u>Basis of Valuation</u>
i) Stores & Spare Parts	At lower of cost or net realisable value
ii) Loose tools & Equipment's	At lower of cost or net realisable value
iii) Raw Materials	At lower of cost or net realisable value
iv) Finished Goods:	
a) Sugar	At lower of cost or net realisable value.
b) Molasses (Byproduct)	At realisable value.
c) Industrial Alcohol	At lower of cost or net realisable value.
d) NPK Fertiliser	At lower of cost or net realisable value.
e) Bio-Compost & Organic Fertiliser made of wastes	At estimated realisable value.

v) Work in Process (Sugar)	At lower of cost or net realisable value.
vi) Standing Crop	At estimated realisable value.
vii) Bagassee	At estimated realizable value

The cost of inventory comprises cost price and all cost attributed to bring such inventory to its location including taxes and duties (net of credit) and is computed on weighted average basis.

(n) Employee Benefits:

(a) Short Term employee benefits:

These are recognized as an expense at undiscounted amount in the year in which the related services are rendered.

(b) Post employment benefits:

(i) Provident Fund:

Contributions under this defined 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 account on accrual basis.

(ii) Gratuity and Leave Encashment::

Liabilities annually determined by the Actuary are provided for.

(iii) Actuarial Gain/Loss:

Liabilities annually determined by the Actuary are accounted for.

(o) Insurance Claim :

These are accounted for on settlement of claim basis.

(p) Foreign Currency Transaction:

Transactions in Foreign Currency covered under 'Forward Contract' are recorded at the exchange rate prevailing at the time of transaction. The difference between forward rate and exchange rate on the date of the Forward Contract is recognised as income or expense over the life of the contract and is taken to Profit and loss account.

(q) Taxes on Income

Income tax expenses comprise current tax and deferred tax. Deferred tax liabilities and assets are recognized for all timing differences using the taxable rates substantively enacted by the balance sheet date and are reviewed at 31st March. Recognition of deferred tax assets is subject to consideration of prudence.

(r) Earning Per Share

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by dividing the net profit after tax by the weighted average number of equity share considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

(s) Contingent Liabilities and Assets:-

Contingent liabilities are not provided for and are disclosed in the Notes on Accounts. Contingent assets are neither recognized nor disclosed in the accounts.

Notes on Financial Statements for the Year ended 31st March, 2015

	<u>As at 31.03.2015 Rs.</u>	<u>As at 31.03.2014 Rs.</u>
2. SHARE CAPITAL		
(a) AUTHORISED :		
1,00,000 12% Cumulative Redeemable		
(1,00,000) Preference shares of Rs. 10/- each	10,00,000	10,00,000
1,49,00,000 Equity Shares of Rs. 10/- each	14,90,00,000	14,90,00,000
(1,49,00,000)	<u>15,00,00,000</u>	<u>15,00,00,000</u>
(b) ISSUED, SUBSCRIBED & PAID-UP EQUITY SHARES :		
1,06,77,105 (1,06,77,105) ISSUED	106,771,050	106,771,050
1,06,77,105 (1,06,77,105) SUBSCRIBED	106,771,050	106,771,050
1,06,43,405 (1,06,43,405) PAID-UP	106,434,050	106,434,050
2.1 PAR VALUE OF PER EQUITY SHARE	10	10
2.2 RECONCILIATION OF EQUITY SHARES (No.)		
Opening	10,643,405	9,193,405
Issued	-	1,450,000
Redeem/buyback	-	-
Closing	<u>10,643,405</u>	<u>10,643,405</u>
2.3 The company has issued single class of equity shares and no special right and /or preference are attached to such shares.		
2.4 The company is neither holding company nor a subsidiary company.		
2.5 Equity Shares held by each shareholders holding more than 5% Shares :		
	As at 31.03.2015	As at 31.03.2014
	No. of Shares	% of holding
	No. of Shares	% of holding
(a) D G Vitta Vinimay & Properties Ltd.	5,098,484	47.90
(b) The Belsund Sugar & Industries Limited	1,116,165	10.49
2.6 No. of Shares Reserved for issue under Option and contact/commitment for the sale of shares/disinvestment	NIL	NIL
2.7 During the period of five years immediately preceeding the balance sheet date no shares were allotted as fully paid pursuant to contract without payment, no bonus shares were issued and no shares were bought back.		
2.8 18,00,000 Equity Shares Warrants were allotted during the year to promoters and others on preferential allotment basis at Rs. 15.20 per warrants at Face value of Rs. 10 and premium of Rs. 5.20 per equity share warrant	6,840,000	-
2.9 There is no unpaid call.		
2.10 Amount of forfeited equity shares (33,700 equity shares of Rs.10 each on which Rs.5 was paid up.)	168,500	168,500

Notes on Financial Statements for the Year ended 31st March, 2015

	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
3. RESERVE & SURPLUS :		
a) Capital Reserve		
Share Forfeited	842,500	842,500
	<u>842,500</u>	<u>842,500</u>
b) Security Premium Reserve -Opening	156,945,475	146,505,475
Receipt	-	10,440,000
Closing	<u>156,945,475</u>	<u>156,945,475</u>
c) Revaluation Reserve (Revaluation of Land)-Opening	485,607,506	485,607,506
Revalued during the year	<u>313,590,000</u>	-
Closing	<u>799,197,506</u>	<u>485,607,506</u>
d) General Reserve:		
As per last Balance Sheet	-	13,091,917
Transfer to Profit & Loss Account	-	(13,091,917)
	<u>-</u>	<u>-</u>
e) Surplus (Deficit) as per Profit and Loss Account		
Opening	(89,710,445)	(73,214,322)
Transfer from General Reserve	-	13,091,917
Net profit (Loss) for the period	(104,009,505)	(29,588,040)
Total	(193,719,950)	(89,710,445)
Appropriations:	-	-
Balance Carried Forward	<u>(193,719,950)</u>	<u>(89,710,445)</u>
TOTAL (a) to (e)	<u>763,265,531</u>	<u>553,685,036</u>

Notes on Financial Statements for the Year ended 31st March, 2015

	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
4. LONG TERM BORROWINGS :		
Secured Term Loans From		
Bank of India	218,000,042	290,252,695
Union Bank of India	43,554,000	17,706,000
Sugar Development Fund (Including funded Interest)	22,186,825	52,969,486
	<u>283,740,867</u>	<u>360,928,181</u>

4.1 Security and Terms of Repayment of Term Loans from Banks

(a) Term Loan from Bank of India is Secured by first pari-passu charge on the fixed assets and second charge on current assets of the company at Riga, Sitamarhi, Bihar and personal guarantee of a Director with following terms in respect of 5 outstanding loans:-

- (i) Outstanding balance of Rs. 475.55 Lacs repayable in monthly instalment from April, 2015 to January, 2018.
- (ii) Outstanding balance of Rs. 530.66 Lacs repayable in monthly instalment from April, 2015 to January, 2018.
- (iii) Outstanding balance of Rs.409.01 Lacs repayable monthly instalment from April, 2015 to January, 2018.
- (iv) Outstanding balance of Rs. 546.60 Lacs repayable monthly instalment from April, 2015 to February, 2018.
- (v) Outstanding balance of Rs. 934.66 Lacs repayable monthly instalment from March,2016 to February, 2019.

(b) Term Loan from Union Bank of India is Secured by first pari-passu charge on the fixed assets and second charge on current assets of the company at Riga, Sitamarhi, Bihar and personal guarantee of a Director with following terms in respect of 2 outstanding loans:-

- (i) Outstanding balance of Rs. 177.06 Lacs repayable in monthly instalment from April, 2015 to January, 2018.
- (ii) Outstanding balance of Rs. 321.00 Lacs repayable in monthly instalment from April, 2016 to March, 2019.

4.2 Sugar Development Fund Loan is secured by Second Charge on Block assets of sugar unit of the company.

4.3 Loan guarantee by Directors- Both the above Term Loans taken from Banks are guaranteed by a Director.

4.4 There is no continuing defaults in repayment of Loan and Interest to Banks and Financial Institutions as on 31st March, 2015.

Notes on Financial Statements for the Year ended 31st March, 2015

	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
5. LONG TERM PROVISIONS :		
(a) Provision for Employee benefits	50,980,000	45,582,000
	-	-
	<u>50,980,000</u>	<u>45,582,000</u>
6. SHORT TERM BORROWINGS :		
Secured		
(a) Loans repayable on demand		
Bank of India	531,740,939	546,465,015
Union Bank of India	192,430,535	190,118,721
	<u>724,171,474</u>	<u>736,583,736</u>
Unsecured		
(a) Loans and advance from related parties	156,675,000	125,625,000
(b) Deposits	-	10,600,000
(c) Inter-Corporate Loans	119,600,000	131,600,000
(d) Other Loans and advances	4,348,559	1,540,590
	<u>280,623,559</u>	<u>269,365,590</u>
	<u>1,004,795,033</u>	<u>1,005,949,326</u>

6.1 Security against short term loan from Banks:-

- (a) Working Capital loans from Bank of India is Secured by third pari-passu charge on the fixed assets of sugar unit and second pari-passu charge on fixed assets of Distillery unit as well as first charge on current assets of the company at Riga, Sitamarhi, Bihar and personal guarantee of a Director:-
- (b) Working Capital loans from Union Bank of India is Secured by third pari-passu charge on the fixed assets of sugar unit and second pari-passu charge on fixed assets of Distillery unit as well as first charge on current assets of the company at Riga, Sitamarhi, Bihar and personal guarantee of a Director:

6.2 Loan guarantee by Directors- Both the above Loans taken from Banks are guaranteed by a Director.

6.3 There is no continuing defaults in repayment of Loan and Interest to Banks and Financial Institutions as on 31st March, 2015.

Notes on Financial Statements for the Year ended 31st March, 2015

	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
7. TRADE PAYABLE :		
Other than Micro, Small, and Medium Enterprises	1,176,620,609	950,801,252
	<u>1,176,620,609</u>	<u>950,801,252</u>
8 OTHER CURRENT LIABILITIES		
(a) Current maturities of long term debt	77,900,000	75,228,000
(b) Interest accrued but not due on borrowings	19,196,309	15,146,040
(c) Income received in advance	1,826,382	22,968,273
(d) Unpaid dividends	175,203	380,115
(e) Others payable*	135,392,360	51,266,043
	<u>234,490,254</u>	<u>164,988,471</u>
8.1 OTHER PAYABLE*		
Excise duty liability on Closing Stock	42,826,999	41,961,221
Miscellaneous	92,565,361	9,304,822
	<u>135,392,360</u>	<u>51,266,043</u>
9 SHORT TERM PROVISIONS		
(a) Provisions for employee benefits	3,385,000	3,899,000
	<u>3,385,000</u>	<u>3,899,000</u>

RIGA SUGAR CO. LTD.**10. FIXED ASSETS AS AT 31ST MARCH, 2015**

Depreciation	GROSS BLOCK			DEPRECIATION/AMORTISATION				NET BLOCK		
	As at 01.04.2014 Rs.	Additions Rs.	Deductions/ Adjustment Rs.	As at 31.03.2015 Rs.	As at 01.04.2014 Rs.	For the Year Rs.	Deduction/ Adjustments Rs.	Upto 31.03.2015 Rs.	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
TANGIBLE ASSETS :										
OWNED										
Free-hold Land	493,370,000	313,590,000	-	806,960,000	-	-	-	-	806,960,000	493,370,000
Buildings	136,917,923	3,144,387	-	140,062,310	46,545,850	5,060,550	-	51,606,400	88,455,910	90,372,073
Plant & Machinery	1,223,818,050	22,368,548	-	1,246,186,598	672,670,186	28,392,682	-	701,062,868	545,123,730	551,147,864
Furniture, Fixtures & Equipments	16,082,416	1,017,129	-	17,099,545	9,882,497	3,393,538	-	13,276,035	3,823,510	6,199,919
Vehicles	17,830,059	4,647,173	3,466,008	19,011,224	9,720,328	2,507,985	2,554,985	9,673,328	9,337,896	8,109,731
TOTAL (A)	1,888,018,448	344,767,237	3,466,008	2,229,319,677	738,818,861	39,354,755	2,554,985	775,618,631	1,453,701,046	1,149,199,587
Previous Period (A)	1,872,384,561	17,918,257	2,284,370	1,888,018,448	680,826,138	58,964,260	971,537	738,818,861	1,149,199,587	-
INTANGIBLE ASSETS										
Trade Mark	50,000	-	-	50,000	50,000	-	-	50,000	-	-
Softwares	2,995,110	809,071	-	3,804,181	1,584,826	246,546	-	1,831,372	1,972,809	1,410,284
TOTAL (B)	3,045,110	809,071	-	3,854,181	1,634,826	246,546	-	1,881,372	1,972,809	1,410,284
Previous Period (B)	2,109,470	935,640	-	3,045,110	1,481,321	153,505,000	-	1,634,826	1,410,284	-
TOTAL (A+B)	1,891,063,558	345,576,308	3,466,008	2,233,173,858	740,453,687	39,601,301	2,554,985	777,500,003	1,455,673,855	1,150,609,871
Previous Period (A+B)	1,874,494,031	18,853,897	2,284,370	1,891,063,558	682,307,459	59,117,765	971,537	740,453,687	1,150,609,871	-
Capital Work-in-Progress									52,249,407	43,065,687
Intangible Assets under Development										

10.1 Notes:

- (1) Addition to Fixed Assets is net of Cenvat Credit.
- (2) The entire block of land at factory area were revalued during the year 2011-12 by Bank appointed Approved Valuer and accordingly " Revaluation Reserve" of Rs. 4163.89 Lacs were created. Again in 2014-15 the said Land were revalued as per Bank appointed Valuer and further Revaluation Reserve of Rs. 3135.90 Lacs were created.

Notes on Financial Statements for the Year ended 31st March, 2015

	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
11. DEFERRED TAX		
Deferred Tax Liability:		
Depreciation on Fixed Assets	138,930,941	141,343,222
Deferred Tax Assets:		
Unabsorbed Business Losses carried forward in Income Tax	32,291,829	-
Unabsorbed Depreciation carried forward in Income Tax	168,844,166	163,366,179
Section 43 B	2,892,381	2,892,381
MAT Credit	7,030,518	7,030,519
	<u>211,058,894</u>	<u>173,289,079</u>
Net Deferred tax Assets(Liability)	<u>72,127,953</u>	<u>31,945,857</u>
11.1 Nature of evidence supporting the recognition of deferred tax assets in respect of unabsorbed depreciation and carry forward losses are as follows:-		
<p>Unabsorbed Depreciation- Till assesment year 2012-13, as per the last Income Tax assesment Order dated 30.03.2015. For assesment year 2013-14 to 2015-16 claim of unabsorbed depreciation as per Income Tax Return filed/to be filed.</p>		
12 LONG TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Security Deposit	256,197	246,063
	<u>256,197</u>	<u>246,063</u>
13 INVENTORIES		
Raw Materials	48,032,861	29,423,176
Stock-in-Process	-	46,302,265
Store and Spare Parts	61,444,174	67,373,940
Sugar	1,449,860,750	1,480,213,797
Ethyl Alcohol	85,467,155	41,451,264
Country Liquor	268,421	170,060
Molasses	33,564,475	21,705,563
Bagassee	51,734,459	48,333,765
Fertilisers	25,873,129	14,491,484
	<u>1,756,245,424</u>	<u>1,749,465,314</u>

Notes on Financial Statements for the Year ended 31st March, 2015

	As at 31.03.2015 Rs.	As at 31.03.2014 Rs.
14. TRADE RECEIVABLE		
(Unsecured and considered good)		
Debts outstanding for a period exceeding Six Months from the due date of payment	1,179,728	1,179,728
Other Debts	<u>38,513,784</u>	<u>24,118,960</u>
	39,693,512	25,298,688
Doubtful Debts	<u>1,085,059</u>	<u>1,085,058</u>
	<u>40,778,571</u>	<u>26,383,746</u>
15 CASH & CASH EQUIVALENTS		
Balance with Banks:		
In Current Accounts	4,891,033	14,726,050
In Dividend Account	175,203	380,115
Cash in hand	1,589,609	1,652,780
Margin Money against Bank Guarantees	2,198,382	322,155
Fixed Deposit with more than 12 months maturity	<u>19,654</u>	<u>18,024</u>
	<u>8,873,881</u>	<u>17,099,124</u>
16 SHORT TERM LOANS & ADVANCES		
(Unsecured , Considered good)		
(a) Loan & Advances to related parties	<u>3,250,000</u>	-
(b) Loan & Advances to others		
Advance to Cane Growers	646,127	737,209
Advances Recoverable	<u>12,311,472</u>	<u>22,402,458</u>
	<u>12,957,599</u>	<u>23,139,667</u>
(c) Doubtful Loan and advances		
Others	<u>1,536,894</u>	<u>1,498,672</u>
Total	<u>17,744,493</u>	<u>24,638,339</u>
17 OTHER CURRENT ASSETS		
Balance with Govt. Dept	192,028,143	131,512,031
Tax Deducted at source	2,064,742	1,219,248
Advance Income tax Payments	422,890	422,890
Others*	<u>32,085,788</u>	<u>15,659,146</u>
Total	<u>226,601,563</u>	<u>148,813,315</u>
17.1 OTHER INCLUDES*		
Interest Receivable	13,867,908	6,689,502
Interest subvention receivable	11,227,654	-
Prepaid	4,494,418	3,848,292
Recoverable	<u>2,495,808</u>	<u>5,121,352</u>
	<u>32,085,788</u>	<u>15,659,146</u>

Notes on Financial Statements for the Year ended 31st March, 2015

	<u>2014-15</u> Rs.	<u>2013-14</u> Rs.
18. REVENUE FROM OPERATIONS		
Sale of products;	1,894,935,490	1,647,233,672
Other operating revenues;	15,187,558	20,366,957
Less: Excise Duty	(48,968,513)	(38,603,344)
Total	<u>1,861,154,535</u>	<u>1,628,997,285</u>
18.1 Particulars of Sale of Products		
Sugar	1,359,847,594	1,212,369,978
Molasses	59,719,688	42,122,562
Industrial Alcohol	241,725,590	203,875,536
Country Liquor	198,033,690	166,831,970
Ethanol	30,359,586	8,314,640
Fertilisers	5,070,854	13,191,621
Bagasse	178,488	57,700
Others	-	469,665
Total	<u>1,894,935,490</u>	<u>1,647,233,672</u>
18.2 Other Operating Revenue		
Subsidy Claim	12,182,420	17,473,201
Insurance Claim	984,543	1,161,667
Miscellaneous Income	2,020,595	1,732,089
Total	<u>15,187,558</u>	<u>20,366,957</u>
19 Other Income		
Interest Income - from current investment	140,880	11,539
Other non-operating income (net of expenses directly attributable to such income).*	1,706,993	4,292,869
Total	<u>1,847,873</u>	<u>4,304,408</u>
19.1 Other non-operating income* :		
Liability no longer required written back (Net)	319,866	3,877,429
Profit on sale of fixed assets	751,479	-
Miscellaneous	635,648	415,440
	<u>1,706,993</u>	<u>4,292,869</u>

Notes on Financial Statements for the Year ended 31st March, 2015

	<u>2014-15</u> Rs.	<u>2013-14</u> Rs.
20 Cost of Materials Consumed		
Indigenous-100%	1,407,359,807	1,367,600,523
	1,407,359,807	1,367,600,523
20.1 Consumption of Raw Materials under broad heads		
Sugarcane	1,230,794,176	1,203,651,514
Raw Sugar	-	-
Molasses	176,565,631	162,030,133
Pressmud & Other in NPK Fertiliser	-	1,918,876
Total	1,407,359,807	1,367,600,523
21 Variation in Stock		
a) Closing Stock:		
Sugar	1,449,860,750	1,480,213,797
Molasses	33,564,475	21,705,563
Ethyl Alcohol & Ethanol	85,467,155	41,451,264
Country Liquor	268,421	170,060
Stock-in-Process	-	46,302,265
Fertilisers	25,873,129	14,491,484
Bagassee	51,734,459	48,333,764
	1,646,768,389	1,652,668,197
b) Opening Stock:		
Sugar	1,480,213,797	1,299,355,052
Molasses	21,705,563	23,675,330
Ethyl Alcohol & Ethanol	41,451,264	13,754,023
Country Liquor	170,060	47,253
Stock-in-Process	46,302,265	13,925,040
Fertilisers	14,491,484	12,638,170
Bagassee	48,333,764	15,216,432
	1,652,668,197	1,378,611,300
	(5,899,808)	274,056,897
Excise Duty & Cess on Increase /(decrease) on Finished Goods Stock	(865,778)	(5,504,728)
Increase(Decrease)	(6,765,586)	268,552,169
22 Employee Benefits Expenses		
Salary and Wages	128,973,486	117,733,606
Contribution to provident fund and others	9,667,467	8,851,515
Staff welfare expenses	3,509,228	3,231,619
Gratuity*	7,981,518	4,172,717
Total	150,131,699	133,989,457

* Gratuity and Leave Expense is net of provision as per valuation.

Notes on Financial Statements for the Year ended 31st March, 2015

	<u>2014-15</u>	<u>2013-14</u>
	Rs.	Rs.
22.1 EMPLOYEES BENEFITS		
Disclosure relating to Employee Benefits in accordance with provision of Accounting Standard (AS)-15 in respect to Company:-		
Defined Contribution Plans		
Contribution to Defined Contribution Plans, recognised as expense for the year is as under:-		
Employer's Contribution to Provident Fund	4,591,282	5,277,136
Employer's Contribution to Pension Scheme	5,076,185	3,574,379
	9,667,467	8,851,515

In case of company's exempted Provident Fund under section 17 of Employees' Provident Fund and Miscellaneous Provisions Act, 1952, conditions for grant of exemption stipulate that the employer shall make good deficiency, if any, in the rate declared by trust vis-à-vis statutory rate.

In case of non-exempted category employers and employees contribution are deposited in EPFO.

Defined Benefit Plan

(a) Expenses recognized in the Statement of Profit & Loss till last financial year ended 31st March, 2015.

	Gratuity (Rs. In Lacs)		Leave Encashment (Rs. In Lacs)	
	2014-15	2013-14	2014-15	2013-14
Particulars				
Current Service Cost	22.65	23.53	25.38	27.27
Interest Cost	39.46	35.65	4.20	3.72
Expected return on plan Asset	(0.10)	(0.09)	-	-
Plan Amendment cost	-	-	-	-
Net actuarial (gain) loss recognised in the year	17.81	(17.36)	(12.71)	(26.21)
Total Expenses	79.82	41.73	16.87	4.78
Expenses (Income) Recognized in the Income Statement	79.82	41.73	16.87	4.78
(b) Net Receipt/Liability Recognised in the Balance Sheet				
Current Opening net liability	446.03	484.78	48.78	48.94
Expenses as above	79.82	41.73	16.87	4.78
Contribution paid	(41.17)	(80.48)	(6.68)	(4.94)
Closing net Liability	484.68	446.03	58.97	48.78
Recognised in Balance Sheet	484.68	446.03	58.97	48.78
(c) Recalculation of Opening and Closing Balance of Defined Benefit Obligation				
Current Liability at the beginning of the period	446.03	484.78	48.78	48.94
Interest Cost	39.46	35.65	4.20	3.72
Current Service Cost	22.65	23.53	25.38	27.27
Plan Amendment cost	-	-	-	-
Benefit Paid	(41.17)	(80.48)	(6.68)	(4.94)
Actuarial (Gain) Loss Obligations	17.81	(17.36)	(12.71)	(26.21)
Expected return on plan Asset	(0.10)	(0.09)	-	-
Liability at the end of the period	484.68	446.03	58.97	48.78
(d) Actuarial assumption				
Discount Rate	7.80%	9.25%	7.80%	9.25%
Rate of Increase in Salary	5%	5%	5%	5%
Rate of Return on Plan Assets	N.A.	N.A.	N.A.	N.A.

Notes on Financial Statements for the Year ended 31st March, 2015

	<u>2014-15</u> Rs.	<u>2013-14</u> Rs.
23 Finance Costs		
Finance Cost on borrowing	107,790,640	98,397,787
Other Borrowing Cost	2,319,188	3,053,265
Applicable gain/loss on foreign currency on borrowing	50,280,963	30,113,171
Bank Guarantee Commission	355,088	265,078
Total	160,745,879	131,829,301
24 Depreciation and amortization expense;		
Depreciation & Amortisation	39,601,301	59,117,765
Total	39,601,301	59,117,765
25 OTHER EXPENSES		
Manufacturing expenses		
Store, Chemicals and Packing Materials- Indigenous	53,318,409	45,766,222
Power, Fuel and Water	13,778,706	53,387,015
Repairs to buildings.	3,702,823	4,397,053
Repairs to machinery.	35,351,663	40,929,803
Processing & Ferti-irrigation Expenses	73,244,273	50,239,034
Pollution Control Expenses	6,809,247	3,368,437
Total	186,205,121	198,087,564
Selling & Distribution Expenses		
Commission & Discount	2,096,973	1,833,625
Selling Expenses	16,231,973	4,323,017
Total	18,328,946	6,156,642
Establishment Expenses		
Rent.	1,344,270	1,581,111
Insurance.	6,868,777	4,691,975
Auditors Remuneration	323,000	319,590.00
Cost Audit Fee	85,000	85,000
Director's Fee	75,000	75,000
Charity & Donations	86,000	-
Sundry Balance Written Off	-	74,630
Wealth tax paid	-	2,430
Rates and taxes, excluding taxes on income.	2,995,211	2,038,430
Loss on Sale of Fixed Assets	-	595,833
Miscellaneous expenses.	26,278,412	22,826,298
Total	38,055,670	32,290,297
TOTAL OTHER EXPENSES	242,589,737	236,534,503

Notes on Financial Statements for the Year ended 31st March, 2015

	<u>2014-15</u> Rs.	<u>2013-14</u> Rs.
25.1 Payments to the auditor :-		
For Statutory Audit	95,000	95,000
For Tax Audit	40,000	40,000
For Other Services	130,000	124,250
For Reimbursement of expenses	58,000	60,340
Total	323,000	319,590
 26 Exceptional Item	 -	 -
27 Earning Per Share (EPS)		
(i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	(104,009,505)	(29,588,040)
(ii) Weighted Average number of equity shares used as denominator for calculating EPS	10,643,405	9,868,747
(iii) Basic and Diluted Earning per share	(9.77)	(3.00)
(iv) Face value per equity share	10	10
 28 Expenditure on foreign currency during the financial year		
Interest	22,279,284	27,281,621
Travelling	1,427,450	472,221.00
Total	23,706,734	27,753,842
 29 Prior Period items	 152,582	 3,565,517
 30 Works in Progress under broad head		
Sugar	-	47,126,393
 31 Contingent Liabilities (to the extent not provided for)		
(1) Claim against the company not acknowledged as Debt	4,767,052	4,767,052
(2) Bank Guarantee:	17,914,565	3,139,640

Note: Claim against the company not acknowledged as debt of Rs. 47,67,052 relates to demand of central government to pay balance interest in respect of sugar season 1982-83 under provision of LSPEF Act, 1976 which is subjudice.

Notes on Financial Statements for the Year ended 31st March, 2015

32 Performance of Business Segment (Rs. in Lac)

(The Sugar segment includes the production of Sugar, Molasses and Fertilizers, whereas the Distillery segment includes production of Industrial Alcohol and related products).

Reportable Segment	Sugar	Distillery	Un-allocable	Elimination	Total
1 Segment Revenue :					
Net Sales	13,812.05	4,647.62	-	-	18,459.67
	(12,314.36)	(3,771.95)	-	-	(16,086.31)
Less : Inter-Segment Revenue	-	-	-	-	-
Net Sale from Operations	13,812.05	4,647.62	-	-	18,459.67
	(12,314.36)	(3,771.95)	-	-	(16,086.31)
2 Segment Results :					
Profit(+)/Loss(-) before Tax and Interest	(1,729.83)	1,895.37	-	-	165.54
	(225.67)	(820.45)	-	-	(1,046.12)
Less : (i) Interest					1,607.46
(ii) Other un-allocable Expenses(Income)					(1,318.29)
Profit (Loss) Before Tax					1,441.92
					(-272.18)
3 Segment Assets & Liabilities :-	Sugar	Distillery	Un-allocable	Elimination	Total
Segment Assets (31.03.2015)	30,745.23	9,790.35	721.28	(4,953.90)	36,302.96
(31.03.2014)	(28,003.72)	(6,965.90)	(319.46)	(3,368.86)	(31,920.22)
Segment Liabilities (31.03.2015)	18,078.62	751.04	-	(4,953.90)	13,875.76
(31.03.2014)	(13,803.86)	(465.43)	-	(-3368.86)	(10,900.43)
Capital Employed (31.03.2015)	12,666.61	9,039.31	721.28	-	22,427.20
(31.03.2014)	(14,199.86)	(6,500.47)	(319.46)	-	(21,019.79)
4 Other Information :					
Capital Expenditure	312.81	7.05	-	-	319.86
	(22.84)	-	-	-	(22.84)
Depreciation	363.77	32.24			396.01
	(464.37)	(126.81)	-	-	(591.18)

Notes on Financial Statements for the Year ended 31st March, 2015

33. Related Party Transaction : (Rs. in Lac)

Name of related Party	Description of relationship with the Company	Nature of transaction	Value for the Year 2014-15	Outstanding as on 31.03.2015	Written off during the period
The Belsund Sugar & Industries Ltd	Associate Company	ICD	3000.00 Cr.	1545.00 Cr.	NIL
		Interest	78.98	133.62 Dr.	NIL
		Trade Payable		193.89 Cr.	NIL
DG Vitta Vinimay & Properties Ltd.	Associate Company	ICD Interest	77.50 Dr. 4.17	32.50 Dr. 1.81 Dr.	NIL NIL
O.P.Vanyjya Limited	Associate Company	ICD	2.00 Cr.	2.00 Cr	NIL
		Interest	0.28	0.50 Cr.	NIL
Garima Investment & Trading Co. Ltd.	Associate Company	ICD	64.00 Cr.	NIL	NIL
		Interest	2.61	0.25 Cr.	NIL
Dupoint Impex Ltd.	Associate Company	ICD	19.75 Cr.	19.75 Cr.	NIL
		Interest	2.77	4.68 Cr.	NIL
Directors of the Company		Sitting Fee for attending Board Meeting	0.75	NIL	NIL NIL
O. P. Dhanuka	CMD (Key Managerial Person)	Salary as per terms of appointment	22.94	NIL	NIL NIL
Srivrat Dhanuka	COO (Relative of CMD)	Salary as per terms of appointment	9.55	NIL	NIL

34. Other Notes

34.1 There is no unutilized amount of proceed of issue of securities.

34.2 Claim lodged to Bihar Government for reimbursement of excise duty paid toward Expansion of Sugar Plant as per Sugar Incentive Scheme has been recognized on the basis of certainty of their collection.

34.3 Interest Expense is net of Interest Income of Rs. 83.17 Lacs (Previous year 74.33 Lacs) from companies.

34.4 The company during the year allotted 18,00,000 equity share warrants of Re.10/- each at a price of Rs.15.20 per warrant convertible into equity share of Rs. 10/- and premium of Rs. 5.20 each on preferential allotment basis as per SEBI (ICDR) Regulations, 2009. The company received Rs. 68,40,000/- as 25% allotment amount as advance toward said issue of warrants.

34.5 Other payable includes Rs. 25.00 Lacs as attached amount of a person by the Income Tax authority.

34.6 No supplier has furnished information about their registration under Micro, Small & Medium Enterprises Development Act, 2006 to the company.

34.7 The company has given Guarantee to Nationalized Banks toward Agriculture Loan provided by the Banks to the recommended farmers of the company to the extent of Rs. 4150 Lacs.

34.8 The outstanding liabilities considered not to be carried any longer have been written back.

35. As per Management's view there is no Impairment of Assets and there is no diminution in value of current assets.

36. Previous years figure has been regrouped/ rearranged wherever necessary.

34th Annual General Meeting
Tuesday, September 29, 2015, at 10.00 a.m.

RIGA SUGAR CO. LTD.

Regd. Office : 14, Netaji Subhas Road, Kolkata - 700 001
Tel. : 91-33-22313414/15, Fax : 92-33-22303663, CIN : L15421WB1980PLC032970
E-mail : sprasad@rigasugar.in, Website: www.rigasugar.in

ATTENDANCE SLIP

I/We hereby record my/our presence at the 34th Annual General Meeting of the Company held on Tuesday, September 29, 2015 at 10.00 a.m. at 'Sitaram Seksaria Hall', Bharatiya Bhasha Parishad, 36A Shakespeare Sarani, Kolkata - 700 017

Name of Proxy (in BLOCK LETTERS)

Signature of Shareholder/ Proxy Present

Please cut here and bring the Attendance Slip duly signed, to the meeting and hand it over at the entrance. Duplicate slips will not be issued at the venue of the Meeting.

ELECTRONIC VOTING PARTICULARS

EVEN (E-voting Even Number)	User ID	Password / PIN

Please refer to the AGM Notice for e-voting instructions.

34th Annual General Meeting
Tuesday, September 29, 2015, at 10.00 a.m.

RIGA SUGAR CO. LTD.

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PROXY FORM

I / We, being the member(s), holding _____ shares of Riga Sugar Co. Ltd., hereby appoint

- Name _____ Address _____
E.mail Id _____ Signature : _____, or failing him / her
- Name _____ Address _____
E.mail Id _____ Signature : _____, or failing him / her
- Name _____ Address _____
E.mail Id _____ Signature : _____

as my/our proxy to attend and vote (on poll) for me/us and on my/our behalf of the 34th Annual General Meeting of the Company, to be held on Tuesday, September 29, 2015 at 10.00 a.m. at Sitaram Seksaria Auditorium, Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, Kolkata - 700 020 and any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional*	
		For	Against
1.	Adoption of Audited Financial Statements, Reports of the Directors and Auditors		
2.	Re-appointment of Auditors and fixing of their remuneration		
3.	Appointment of Mrs Sulekha Dutta as Independent Director		
4.	Appointment of Cost Auditors for the financial year ending 31st March, 2015		
5.	Appointment of Cost Auditors for the financial year ending 31st March, 2016		

Signed this _____ day of _____ 2015.

Member's Folio / DP ID-Client ID _____ Signature of Shareholder (s) _____

**Affix
Revenue
Stamp**

Signature of Proxy holder(s) _____

Note : 1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 34th Annual General Meeting.

*3. It is optional to put a 'X' in the appropriate column against the Resolution as indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.