

**Date:** February 11, 2022

**TO,**

**BSE LIMITED  
PHIROZE JEEJEEBHOY TOWERS  
DALAL STREET, MUMBAI- 400 001**

**SUB.:** Outcome of the Board Meeting Reg.,

**REF.:** Gayatri Sugars Limited, Scrip Code: **532183**

Dear Sir/Madam,

This has reference to our letter dated: February 04, 2022. The Board of Directors at the meeting held today, i.e. February 11, 2022, inter alia, transacted the following business:

- Approved the Un-Audited Financial Results of the Company for the Quarter and Nine months Ended December 31, 2021 with limited review report submitted by MOS & Associates LLP, the Statutory Auditors of the Company.

The Board Meeting commenced at **12:25 P:M (IST)** and concluded at **13.15 P.M. (IST)**.

A copy of the said results together with the Limited Review Report for Quarter and Nine months Ended December 31, 2021 are enclosed herewith. These are also being made available on the website of the Company at [www.gayatrisugars.com](http://www.gayatrisugars.com)

You are requested to take the same on your record.

Thanking You,

Yours Faithfully,

**For GAYATRI SUGARS LIMITED**



**V. R. Prasad**  
Chief Financial Officer



Regd. & Corp. Office :

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**CIN : L15421TG1995PLC020720**



**Independent Auditor's Review Report on the Un-audited Standalone Quarterly and Year to date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To**

**The Board of Directors  
Gayatri Sugars Limited**

1. We have reviewed the accompanying statement of Standalone Un-audited Financial Results of **M/s. Gayatri Sugars Limited ('the Company')** for the quarter ended 31<sup>st</sup> December 2021 and year to date from 1<sup>st</sup> April 2021 to 31<sup>st</sup> December 2021 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. The preparation of the statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) – "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India, is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatements. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. *Attention is invited to the following material matter:*
  - i) *Note.2 of this statement regarding the High Court dismissing the writ filed by the company challenging the levy of electricity duty by the state government on consumption of electricity by captive generating units, the sub sequential dismissal of special leave petition by the honorable Supreme Court and the pending matter before the Board for Industrial and Financial Reconstruction (BIFR) being abated. As stated in the said note, the company has treated the estimated duty amount aggregating ₹283.99 Lakhs as a contingent liability.*

*In view of the above, we are unable to comment on the ultimate outcome of the matter and the consequential impact, if any on these un-audited financial results.*





5. Based on our review conducted as stated above, except for the possible effects of the matter described in paragraph 4(i) above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Attention is invited to the following material matter:

- i) Note. 3 of the Statement, regarding petition filed by Sugar Development fund (SDF) through its Monitoring Institution IFCI Limited before the Hon'ble Debt Recovery Tribunal -1, Hyderabad for recovery of it dues.
- ii) Note.4 of the Statement, regarding the preparation of unaudited financial results on a going concern basis.
- iii) Note. 5 of the Statement, which describes the uncertainties and the possible effects of Covid-19 on the operations of the Company.

Our conclusion is not modified in respect of above matter.

**For M O S & ASSOCIATES LLP**

Chartered Accountants

Firm's Registration No. 001975S/S200020

**Oommen Mani**

Partner

Membership No.234119

UDIN: 22234119ABIHNJ3986



Place: Hyderabad

Date: 11<sup>th</sup> February 2022



GAYATRI SUGARS LIMITED

CIN : L15421TG1995PLC020720

Regd. Office : 6-3-1090, TSR TOWERS, B-2, 2nd Floor,  
Raj Bhavan Road, Somajiguda, Hyderabad-500082

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2021

(₹ in lakhs)						
S.No	Particulars	Quarter ended			Nine months ended	
		31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
1	Income					
	Revenue from operations	7,541.34	654.34	2,919.71	13,591.59	10,834.97
	Other Income	5.88	0.41	9.77	6.54	10.25
	<b>Total Income</b>	<b>7,547.22</b>	<b>654.75</b>	<b>2,929.48</b>	<b>13,598.13</b>	<b>10,845.22</b>
2	Expenses					
	a. Cost of Material Consumed	10,128.95	29.95	7,456.67	10,237.26	7,612.19
	b. Purchase of stock-in-trade	56.25	-	-	81.78	149.49
	c. Changes in Inventories of finished goods, Work-in-Progress and Stock-in-trade	(4,917.98)	497.89	(5,708.13)	94.12	863.37
	d. Employee Benefits Expense	523.63	450.39	487.16	1,423.12	1,375.17
	e. Finance costs	689.28	674.25	708.24	1,971.80	1,949.71
	f. Depreciation and Amortization Expense	258.42	258.26	258.25	771.79	774.05
	g. Other Expenses	1,460.55	512.08	660.24	2,508.95	1,701.18
	<b>Total Expenses</b>	<b>8,199.10</b>	<b>2,422.82</b>	<b>3,862.43</b>	<b>17,088.82</b>	<b>14,425.16</b>
3	<b>Profit/ (Loss) before exceptional items and tax (1-2)</b>	<b>(651.88)</b>	<b>(1,768.07)</b>	<b>(932.95)</b>	<b>(3,490.69)</b>	<b>(2,846.34)</b>
4	Exceptional items	-	-	-	-	-
5	<b>Net Profit/ (Loss) before tax (3+4)</b>	<b>(651.88)</b>	<b>(1,768.07)</b>	<b>(932.95)</b>	<b>(3,490.69)</b>	<b>(2,846.34)</b>
6	Tax expenses	-	-	-	-	-
7	<b>Net Profit/ (Loss) after tax (5-6)</b>	<b>(651.88)</b>	<b>(1,768.07)</b>	<b>(932.95)</b>	<b>(3,490.69)</b>	<b>(2,846.34)</b>
8	Other comprehensive income					
	Items that will not be reclassified to profit or loss:					
	(a) Actuarial gain/ (loss) on defined benefit obligations	(17.42)	(17.66)	(14.83)	(52.24)	(47.61)
9	<b>Total other comprehensive income (7 + 8)</b>	<b>(669.30)</b>	<b>(1,785.73)</b>	<b>(947.78)</b>	<b>(3,542.93)</b>	<b>(2,994.29)</b>
10	<b>Paid Up Equity Share Capital (Face Value ₹ 10/- per Share)</b>	<b>4,370.05</b>	<b>4,370.05</b>	<b>4,370.05</b>	<b>4,370.05</b>	<b>4,370.05</b>
11	<b>Reserves excluding revaluation reserves</b>					<b>(19,675.01)</b>
12	<b>Networth</b>					<b>(15,096.82)</b>
13	<b>Earnings per Share (of ₹ 10/- each)</b>					
	(not annualised for quarterly figures):					
	- Basic (₹)	(1.49)	(4.05)	(2.13)	(7.99)	(8.19)
	- Diluted (₹) (*antidilutive)	*(1.49)	*(4.05)	*(2.13)	*(7.99)	*(8.19)





**GAYATRI SUGARS LIMITED**

CIN : L15421TG1995PLC020720

Regd. Office : 6-3-1090, TSR TOWERS, B-2, 2nd Floor,  
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SEGMENT REPORTING UNDER REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015 FOR THE QUARTER AND NINE MONTHS  
ENDED 31ST DECEMBER, 2021

S.No	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
1	<b>Segment Revenue</b>						
	a) Sugar	6,806.47	92.93	2,101.81	12,050.31	8,162.98	21,841.89
	b) Distillery	1,261.01	561.41	1,089.31	2,825.93	3,389.38	5,360.57
	<b>Total</b>	<b>8,067.48</b>	<b>654.34</b>	<b>3,191.12</b>	<b>14,876.24</b>	<b>11,552.36</b>	<b>27,202.46</b>
	Less : Inter Segment Revenue	526.14	-	271.41	1,284.65	717.39	2,414.22
	<b>Revenue from Operations</b>	<b>7,541.34</b>	<b>654.34</b>	<b>2,919.71</b>	<b>13,591.59</b>	<b>10,834.97</b>	<b>24,788.24</b>
2	<b>Segment Results</b>						
	a) Sugar	(142.22)	(1,106.27)	(556.09)	(1,941.48)	(2,211.44)	(952.11)
	b) Distillery	173.74	12.04	321.61	416.05	570.96	657.99
	<b>Total</b>	<b>31.52</b>	<b>(1,094.23)</b>	<b>(234.48)</b>	<b>(1,525.43)</b>	<b>(1,640.48)</b>	<b>(294.12)</b>
	<b>Total Segment results before Interest and Tax</b>	<b>31.52</b>	<b>(1,094.23)</b>	<b>(234.48)</b>	<b>(1,525.43)</b>	<b>(1,640.48)</b>	<b>(294.12)</b>
	(i) Finance cost	689.28	674.25	708.24	1,971.80	1,949.71	2,573.88
	(ii) Other un-allocable income	5.88	0.41	9.77	6.54	10.25	21.66
	<b>Profit/(Loss) before Tax</b>	<b>(651.88)</b>	<b>(1,768.07)</b>	<b>(932.95)</b>	<b>(3,490.69)</b>	<b>(3,579.94)</b>	<b>(2,846.34)</b>
	Tax	-	-	-	-	-	-
	<b>Net Profit/(Loss) after Tax</b>	<b>(651.88)</b>	<b>(1,768.07)</b>	<b>(932.95)</b>	<b>(3,490.69)</b>	<b>(3,579.94)</b>	<b>(2,846.34)</b>
3	<b>Segment Assets</b>						
	a) Sugar	17,038.66	12,082.22	15,814.44	17,038.66	15,814.44	16,013.64
	b) Distillery	1,669.96	1,801.19	2,369.52	1,669.96	2,369.52	2,252.54
	c) Un-allocated	33.72	31.42	9.32	33.72	9.32	9.79
	<b>Total</b>	<b>18,742.34</b>	<b>13,914.83</b>	<b>18,193.28</b>	<b>18,742.34</b>	<b>18,193.28</b>	<b>18,275.97</b>
4	<b>Segment Liabilities</b>						
	a) Sugar	37,422.12	32,011.15	33,922.00	37,422.12	33,922.00	33,550.24
	b) Distillery	160.08	74.24	201.47	160.08	201.47	22.66
	c) Un-allocated	8.03	8.03	8.03	8.03	8.03	8.03
	<b>Total</b>	<b>37,590.23</b>	<b>32,093.42</b>	<b>34,131.50</b>	<b>37,590.23</b>	<b>34,131.50</b>	<b>33,580.93</b>
<b>Notes on segment information :</b>							
a)	The Company is carrying on business segments of sugar and distillery. Based on the "management approach" as defined in Ind AS 108 - Operating segments, the Company evaluates and allocates resources based on the performance by business segments. The segment reporting is presented accordingly. The Accounting principles are applied to record revenue and expenditure of individual segments in preparation of financial results.						
b)	The segment results represents the profit earned or loss incurred before interest and tax by each segment.						
c)	Previous period's figures have been regrouped / reclassified wherever considered necessary to correspond with the current period's classification/ disclosures.						





**GAYATRI SUGARS LIMITED****CIN : L15421TG1995PLC020720****Regd. Office : 6-3-1090, TSR TOWERS, B-2, 2nd Floor,  
Raj Bhavan Road, Somajiguda, Hyderabad- 500 082****Notes :**

- 1 The above un-audited standalone financial results for the quarter and nine months ended 31st December 2021, have been reviewed by the Audit Committee and considered and approved by the Board of Directors of the Company at its meeting held on 11th February 2022.
- 2 The Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh dismissed the Company's writ petition (along with the other petitions on the same matter filed by other companies) vide its common order dated May 19, 2016 ('the Order') in which it upheld the validity of levy of Electricity Duty @ 25 paisa per unit by the State Government on consumption of electricity by captive generating units relating to earlier years. In the year 2016-17, the Company filed a Special Leave Petition (SLP) in the Hon'ble Supreme Court which dismissed the SLP vide order dated September 27, 2016 on the grounds that these matters were pending before the Board for Industrial and Financial Reconstruction (BIFR), and unless payments were being made by the petitioners as directed in its interim orders @ 15 paisa per unit. The Hon'ble Supreme Court also granted liberty to the petitioners to revive the petitions after the decision is given by the BIFR. Currently, the case filed before BIFR stands abated and the Company has not initiated any proceedings before the NCLT.  
  
The management is of the view that as the case filed before BIFR stands abated and no demand notices were received thereafter for the payment, the Company has treated the estimated duty amount aggregating ₹ 284 lakhs as a Contingent Liability and no provision has been made in respect of the same. In the event of an unfavourable verdict/outcome in this matter, the Management based on the Supreme Court's interim orders and considering the inherent uncertainty in predicting the final outcome of the above litigation estimates the impact of the potential liability to be ₹ 170 lakhs.  
  
In view of the above, the auditors have made a modified conclusion in their Limited Review Report about their inability to comment on the ultimate outcome of this matter and the consequential impact, if any, on these un-audited standalone financial results.
- 3 As at 31st December 2021, the company had defaulted in repayment of Sugar Development fund (SDF) loan and the total amount due outstanding is ₹ 4,449.55 Lakhs. During the previous years the SDF through its monitoring Institution i.e., IFCL limited had filed a petition before the Debt Recovery tribunal (DRT) for recovery of its dues. Pursuant to various representations by the industry and the company, the Department of Food and Public Distribution, Ministry of Consumer Affairs, Govt of India vide notification dated 03/01/2022 has issued the operational guidelines for Restructuring of SDF loans for potential sick sugar undertakings. As per the said guidelines, the company is eligible for restructure of debt availed from SDF and accordingly, the company has initiated the process of applying for restructuring the loan and management is confident of the loan being restructured. In the said circumstances, the management of the company is of the view that there will be no immediate action and adverse effect on account of the petition filed before the DRT and the same shall be withdrawn upon restructuring of the loan.
- 4 Over the last few years, the Company has been incurring losses and as at 31st December 2021, the accumulated losses have completely eroded the net worth and its current liabilities exceeded the current assets by ₹ 19,381.81 Lakhs as on that date. During the current nine months ended 31st December 2021, the Company has incurred a loss of ₹ 3,490.69 Lakhs. The management is confident that in foreseeable future the financial position of the company will improve. The un-audited financial results have been prepared on a going concern basis, based on a Comfort letter provided by the promoters for continued support to the Company to meet its financial obligations, in order to enable the Company to continue its operations in the foreseeable future.
- 5 The ongoing Covid-19 pandemic, has affected the country and the entire globe, which has contributed to a significant decline in global and local economic activities. The company has considered all the possible impact of COVID-19 and associated internal and external factors, known to the management, in preparation of unaudited financial results for the nine months ended 31st December 2021, to assess and determine the carrying amount of its assets and liabilities. Accordingly, as on date, no material impact is estimated in the carrying value of the assets and their recoverability. The company is closely monitoring the economic developments on account of the uncertain pandemic conditions and its impact on the operations of the company.
- 6 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.
- 7 Sugar Industry being seasonal, the performance of the Company for the current and previous quarters are not comparable.
- 8 Previous period's figures have been regrouped / reclassified wherever considered necessary to correspond with the current period's classification/ disclosures.

Place : Hyderabad

Date : February 11, 2022

*T. Sarita Reddy*T. Sarita Reddy  
Managing Director