

**Date:** August 04, 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: July 28, 2022, the Board of Directors at the meeting held today, i.e. August 04, 2022, inter alia, transacted the following business:

- Approved the Un-Audited Financial Results of the Company for the Quarter Ended June 30, 2022 with limited review report submitted by MOS & Associates LLP, the Statutory Auditors of the Company.

The Board Meeting commenced at **12:15 P.M. (IST)** and concluded at **01:05 P.M. (IST)**.

A copy of the said results together with the Limited Review Report for Quarter Ended June 30, 2022 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**



**Lalit Kumar Thanvi  
Company Secretary & Compliance Officer**



Regd. & Corp. Office :

**Gayatri Sugars Limited**, B2, 2nd Floor, 6-3-1090, TSR Towers,  
Raj Bhavan Road, Somajiguda, Hyderabad 500 082. Telangana

Factories :

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**Independent Auditor's Review Report on the Quarterly Un-audited Standalone 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 Un-audited Standalone Financial Results of **M/s. Gayatri Sugars Limited ('the Company')** for the quarter ended 30<sup>th</sup> June 2022 ("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. 3 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 standalone 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. 4 of the Statement, regarding the restructuring of the Sugar Development fund (SDF) loan for which the Administrative Approval (AA) granted by the government, is subject to fulfillment of certain terms & conditions. Subsequent to completion of the said terms as per the AA, the petition filed by IFCI before DRT for recovery of the SDF dues may be dismissed/ withdrawn for the reasons stated in the said note.
- ii) Note. 5 of the Statement, regarding the preparation of un-audited standalone financial results on a going concern basis.

Our conclusion is not modified in respect of the above matter.

**For M O S & ASSOCIATES LLP**

Chartered Accountants

Firm's Registration No. 001975S/S200020

*Mani*

**Oommen Mani**

Partner

Membership No. 234119

UDIN: 22234119 AOF UTN 4730



Place: Hyderabad

Date: 04<sup>th</sup> August, 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 UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2022**

S.No	Particulars	(₹ in lakhs)			
		Quarter ended			Year ended
		30.06.2022	31.03.2022	30.06.2021	31.03.2022
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>1</b>	<b>Income</b>				
	Revenue from operations	5,011.16	22,478.37	5,395.91	36,069.96
	Other Income	0.33	43.19	0.25	49.73
	<b>Total Income</b>	<b>5,011.49</b>	<b>22,521.56</b>	<b>5,396.16</b>	<b>36,119.69</b>
<b>2</b>	<b>Expenses</b>				
	a. Cost of Material Consumed	34.05	15,436.84	78.36	25,674.10
	b. Purchase of stock-in-trade	286.67	216.60	25.53	298.38
	c. Changes in Inventories of finished goods, Work-in-Progress and Stock-in-trade	4,123.06	(360.78)	4,514.21	(266.66)
	d. Employee Benefits Expense	504.61	596.41	449.10	2,019.53
	e. Finance costs	766.92	558.67	608.27	2,530.47
	f. Depreciation and Amortization Expense	278.55	274.99	255.11	1,046.78
	g. Other Expenses	512.51	3,150.23	536.32	5,659.18
	<b>Total Expenses</b>	<b>6,506.37</b>	<b>19,872.96</b>	<b>6,466.90</b>	<b>36,961.78</b>
<b>3</b>	<b>Profit/ (Loss) before exceptional items and tax (1-2)</b>	<b>(1,494.88)</b>	<b>2,648.60</b>	<b>(1,070.74)</b>	<b>(842.09)</b>
<b>4</b>	<b>Exceptional items</b>	-	-	-	-
<b>5</b>	<b>Net Profit/ (Loss) before tax (3+4)</b>	<b>(1,494.88)</b>	<b>2,648.60</b>	<b>(1,070.74)</b>	<b>(842.09)</b>
<b>6</b>	<b>Tax expenses</b>	-	-	-	-
<b>7</b>	<b>Net Profit/ (Loss) after tax (5-6)</b>	<b>(1,494.88)</b>	<b>2,648.60</b>	<b>(1,070.74)</b>	<b>(842.09)</b>
<b>8</b>	<b>Other comprehensive income</b>				
	<i>Items that will not be reclassified to profit or loss:</i>				
	(a) Actuarial gain/ (loss) on defined benefit obligations	(17.76)	(23.79)	(17.16)	(76.03)
<b>9</b>	<b>Total other comprehensive income (7 + 8)</b>	<b>(1,512.64)</b>	<b>2,624.81</b>	<b>(1,087.90)</b>	<b>(918.12)</b>
<b>10</b>	<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>11</b>	<b>Reserves excluding revaluation reserves</b>				(20,593.13)
<b>12</b>	<b>Networth</b>				(15,938.91)
<b>13</b>	<b>Earnings per Share (of ₹ 10/- each)</b>				
	(not annualised for quarterly figures):				
	- Basic (₹)	(3.42)	6.06	(2.45)	(1.93)
	- Diluted (₹) (*antidilutive)	*(3.42)	4.60	*(2.45)	*(1.93)



*T Sante Reddy*



# GAYATRI SUGARS LIMITED

CIN : L15421TG1995PLC020720

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

## SEGMENT REPORTING UNDER REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015 FOR THE UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2022

S.No	Particulars	(₹ in lakhs)			
		Quarter ended			Year ended
		30.06.2022 (Unaudited)	31.03.2022 (Audited)	30.06.2021 (Unaudited)	31.03.2022 (Audited)
1	<b>Segment Revenue</b>				
	a) Sugar	4,615.68	22,446.47	5,150.91	34,496.78
	b) Distillery	1,168.81	1,322.41	1,003.51	4,148.34
	<b>Total</b>	<b>5,784.49</b>	<b>23,768.88</b>	<b>6,154.42</b>	<b>38,645.12</b>
	Less : Inter Segment Revenue	773.33	1,290.51	758.51	2,575.16
	<b>Revenue from Operations</b>	<b>5,011.16</b>	<b>22,478.37</b>	<b>5,395.91</b>	<b>36,069.96</b>
2	<b>Segment Results</b>				
	a) Sugar	(1,102.51)	2,921.58	(692.99)	980.10
	b) Distillery	374.22	242.50	230.27	658.55
	<b>Total</b>	<b>(728.29)</b>	<b>3,164.08</b>	<b>(462.72)</b>	<b>1,638.65</b>
	Less : Inter Segment Eliminations	-	-	-	-
	<b>Total Segment results before Interest and Tax</b>	<b>(728.29)</b>	<b>3,164.08</b>	<b>(462.72)</b>	<b>1,638.65</b>
	(i) Finance cost	766.92	558.67	608.27	2,530.47
	(ii) Other un-allocable income	0.33	43.19	0.25	49.73
	<b>Profit/(Loss) before Tax</b>	<b>(1,494.88)</b>	<b>2,648.60</b>	<b>(1,070.74)</b>	<b>(842.09)</b>
	Tax	-	-	-	-
	<b>Net Profit /(Loss) after Tax</b>	<b>(1,494.88)</b>	<b>2,648.60</b>	<b>(1,070.74)</b>	<b>(842.09)</b>
3	<b>Segment Assets</b>				
	a) Sugar	14,280.83	18,321.56	12,334.61	18,321.56
	b) Distillery	2,515.67	2,262.70	2,391.41	2,262.70
	c) Un-allocated	51.15	39.27	10.09	39.27
	<b>Total</b>	<b>16,847.65</b>	<b>20,623.53</b>	<b>14,736.11</b>	<b>20,623.53</b>
4	<b>Segment Liabilities</b>				
	a) Sugar	34,493.17	36,626.09	31,046.30	36,626.09
	b) Distillery	90.20	220.52	74.64	220.52
	c) Un-allocated	-	-	8.03	-
	<b>Total</b>	<b>34,583.37</b>	<b>36,846.61</b>	<b>31,128.97</b>	<b>36,846.61</b>

### Notes on segment information :

- 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.
- The segment results represents the profit earned or loss incurred before interest and tax by each segment.



*T. Santa Reddy*

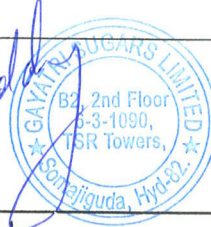


**GAYATRI SUGARS LIMITED**

CIN : L15421TG1995PLC020720

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

- 1 The above published results have been prepared in accordance with the principles and procedures as set out in Ind AS on financial statements and such other applicable standards as notified under section 133 of the Companies Act, 2013 and Companies (Indian Accounting Standard) Rules 2015 as amended.
- 2 The above un-audited financial results for the quarter ended 30th June 2022 have been reviewed by the Audit Committee and considered and approved by the Board of Directors of the Company at its meeting held on 4th August 2022.
- 3 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 paise 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 paise 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 financial results.
- 4 During the previous years, the company had defaulted in repayment of the Sugar Development Fund (SDF) loan and the defaulted and due amount as at 30th June 2022 is ₹ 4,624.05 Lakhs. Pursuant to the said default, SDF through its monitoring Institution i.e., IFCI Limited had filed a petition before the Debt Recovery Tribunal (DRT) for recovery of its dues. Subsequently, based on various representations made by the company and the entire sugar industry to the Government of India for restructuring of the SDF loan, the Ministry of Consumer Affairs, Food, and Public Distribution brought out operational guidelines for restructuring loans taken from the Sugar Development Fund under rule 26 dated 3rd January 2022. Pursuant to said guidelines, the company had also applied for restructuring of its SDF loan on 3rd March 2022. According to the terms of restructuring, the company has to withdraw its Interlocutory Application filed before Hon'ble Debt Recovery Tribunal-1, Hyderabad, and accordingly, the company had withdrawn the same on 22nd March 2022. The company's application for the restructuring of the SDF loan was scrutinised by the Committee for Rehabilitation (CRF) in the meeting dated 28th March 2022 and recommended for consideration of restructuring the SDF loan by the Standing Committee. The Standing Committee in its meeting dated 22nd April 2022 considered the recommendations by CRF and recommended for Administrative Approval (AA) from the Ministry of Consumer Affairs, Food, and Public Distribution, for restructuring of the SDF loan and waiver of additional interest in full in respect of SDF loans. The Central Government has granted Administrative Approval (AA) on 20th May 2022 subject to the fulfillment of the security requirement of the re-structured loan, company opening an escrow account for synchronising interest and principal payable on SDF loan, signing of TPA between GOI, company and the nodal agency (IFCI). Pursuant to the said restructuring, the entire additional interest due on the loan shall be waived in full and the balance interest shall be capitalised along with the principal. Further, there shall be a moratorium period of 24 months on the amount due, during the moratorium period, simple interest shall accrue. The entire loan including the accrued interest amount during the moratorium period is to be paid in equal monthly installments over the period of five years after the moratorium period. The moratorium period shall be from the date of granting the administrative approval. The restructured loan shall carry a rate of interest equivalent to the prevailing Reserve Bank of India Bank rate. In view of the above, as the signing of the TPA and opening of the escrow account is pending, the company has not recognised the impact of the restructuring in un-audited financial results for the quarter ended 30th June 2022. Further, the company is of the view that once the said loan is restructured, the petition filed by the SDF through its Monitoring agency IFCI before DRT will be dismissed/withdrawn.
- 5 Over the last few years, the Company has been incurring losses and as at 30th June 2022, the accumulated losses have completely eroded the net worth and its current liabilities exceeded the current assets by ₹ 17,352.02/- Lakhs as on that date. During the current period ending 30th June 2022, the company has incurred a loss of ₹ 1,494.88/- 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.
- 6 The company has considered all the possible impacts of COVID-19 and associated internal and external factors, known to the management, in preparation of un-audited financial results for the quarter ended 30th June 2022, 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 continues to monitor the future economic conditions.
- 7 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.
- 8 The figures for the quarter ended 31st March 2022 are the balancing figures between the audited figures for the full financial year ended 31st March 2022 and the published year to date figures up to third quarter ended 31st December 2021 which are subjected to limited review.
- 9 Sugar Industry being seasonal, the performance of the Company for the current and previous quarters are not comparable.
- 10 The previous period's figures have been regrouped / reclassified wherever considered necessary to correspond with the current period's classification/disclosures.

Place : Hyderabad  
Date : 4th August 2022T. Sarita Reddy  
Managing Director