

November 02, 2019

To
The Secretary, Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001
Scrip Code: 532183

Dear Sir/Madam,

Sub: Outcome of Board Meeting
Ref: Our Board Meeting Notice Dated October 24, 2019
.....

In continuation of our letter dated October 24, 2019 we wish to inform you that the Board of Directors of the Company at their meeting held today, i.e. November 02, 2019, inter alia, transacted the following business:

Approved the Unaudited Financial Results for the quarter and half year ended September 30, 2019, duly reviewed and recommended by the Audit Committee, pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board Meeting Commenced at 12:20 P.M. and concluded at 01:20 P.M.

A copy of the said results together with Limited Review report issued by Statutory Auditors M/s. MOS & Associates LLP is enclosed herewith. These results are also made available on the website of the Company being at www.gayatrisugars.com.

This is for your information and records.

Yours faithfully

Gayatri Sugars Limited

Chetan Kr. Sharma

Chetan Kumar Sharma

Company Secretary &
Compliance Officer

| Encl: As Above



Regd. & Corp. Office

Gayatri Sugars Limited, B2, 2nd Floor, 6-3-1090, TSR Towers,
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CIN : L15421TG1995PLC020720



Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited 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 Unaudited Standalone Financial Results of **M/s. Gayatri Sugars Limited ('the Company')** for the Quarter ended 30th September, 2019 and year to date from 1st April, 2019 to 30th September, 2019 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Attention is drawn to the fact that the figures for net cash outflow for the corresponding period from 1st April, 2018 to 30th September, 2018, as reported in these unaudited standalone financial results have been approved by the Board of Directors of the Company, but have not been subjected to review.
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 is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, 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 Rs 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 unaudited 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 preparation of unaudited standalone financial results on a going concern basis.*

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: 19234119AAAAGH2699

Place: Hyderabad
Date: 02/11/2019



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 HALF YEAR ENDED 30th SEPTEMBER, 2019

S.No	Particulars	(₹ in lakhs)					
		Quarter ended			Half-Year ended		Year ended
		30.09.2019 (Unaudited)	30.06.2019 (Unaudited)	30.09.2018 (Unaudited)	30.09.2019 (Unaudited)	30.09.2018 (Unaudited)	31.03.2019 (Audited)
1	Income						
	Revenue from operations	1,485.53	11,029.73	2,813.68	12,515.26	8,311.28	31,167.93
	Other Income	0.21	0.82	0.92	1.03	3.09	30.18
	Total Income	1,485.74	11,030.55	2,814.60	12,516.29	8,314.37	31,198.11
2	Expenses						
	a. Cost of Material Consumed	64.75	253.38	82.89	318.13	231.07	26,376.84
	b. Purchase of stock-in-trade	63.69	203.17	72.79	266.86	88.79	245.06
	c. Changes in Inventories of finished goods, Work-in-Progress and Stock-in-trade	1,375.93	9,699.10	2,509.64	11,075.03	7,371.01	(2,729.71)
	d. Employee Benefits Expense	432.97	428.90	416.38	861.87	815.10	1,813.87
	e. Finance costs	595.32	611.79	545.53	1,207.11	1,021.55	2,351.14
	f. Depreciation and Amortization Expense	301.64	269.59	253.26	571.23	504.64	1,015.90
	g. Other Expenses	546.40	734.13	489.28	1,280.53	968.39	4,071.67
	Total Expenses	3,380.70	12,200.06	4,369.77	15,580.76	11,000.55	33,144.77
3	Profit/ (Loss) before exceptional items and tax (1-2)	(1,894.96)	(1,169.51)	(1,555.17)	(3,064.47)	(2,686.18)	(1,946.66)
4	Exceptional items	-	-	-	-	-	-
5	Net Profit/ (Loss) before tax (3+4)	(1,894.96)	(1,169.51)	(1,555.17)	(3,064.47)	(2,686.18)	(1,946.66)
6	Tax expenses	-	-	-	-	-	-
7	Net Profit/ (Loss) after tax (5-6)	(1,894.96)	(1,169.51)	(1,555.17)	(3,064.47)	(2,686.18)	(1,946.66)
8	Other comprehensive income						
	<i>Items that will not be reclassified to profit or loss:</i>						
	(a) Actuarial gain/ (loss) on defined benefit obligations	(14.76)	(14.62)	(13.49)	(29.38)	(29.77)	162.93
9	Total other comprehensive income (7 + 8)	(1,909.72)	(1,184.13)	(1,568.66)	(3,093.85)	(2,715.95)	(1,783.73)
10	Paid Up Equity Share Capital (Face Value ₹ 10/- per Share)	4,370.05	4,370.05	4,370.05	4,370.05	4,370.05	4,370.05
11	Reserves						(13,840.10)
12	Networth						(9,478.19)
13	Earnings per Share (of ₹ 10/- each)						
	(not annualised for quarterly and half year figures):						
	- Basic (₹)	(4.30)	(2.71)	(3.73)	(7.01)	(6.49)	(4.45)
	- Diluted (₹) (*antidilutive)	*(4.30)	*(2.71)	*(3.73)	*(7.01)	*(6.49)	*(4.45)

For GAYATRI SUGARS LTD.

T. SARITA REDDY
Managing Director

**GAYATRI SUGARS LIMITED**

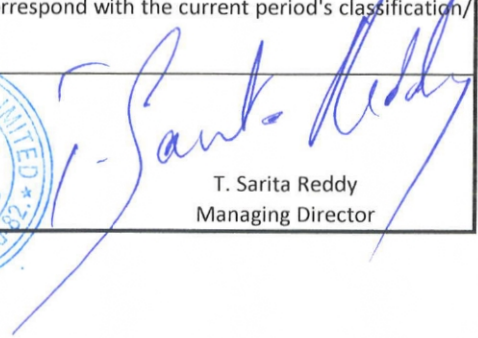
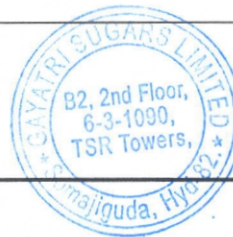
CIN : L15421TG1995PLC020720

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

- 1 The above financial results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 02nd November, 2019.
- 2 Transition to Ind AS 116 'Leases' - Effective from 1st April 2019:
The adoption of Ind AS 116 did not have any impact on the results for the quarter ended 30th September, 2019 and year to date from 1st April, 2019 to 30th September, 2019, as there are no leases entered by the company.
- 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 unfavorable 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 financial results.
- 4 Over the last few years, the Company has been incurring losses and as at 30th September, 2019, the accumulated losses have completely eroded the net worth and its current liabilities exceeded the current assets as on that date. During the current period ended 30th September, 2019, the Company has incurred a loss of ₹ 1,894.97 Lakhs.
The 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 Sugar Industry being seasonal, the performance of the Company for the current and previous quarters are not comparable.
- 6 Previous period's figures have been regrouped / reclassified wherever considered necessary to correspond with the current period's classification/ disclosures.

Place : Hyderabad
Date : November 02, 2019
T. Sarita Reddy
Managing Director



GAYATRI SUGARS LIMITED

CIN : L15421TG1995PLC020720

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

UNAUDITED STANDALONE BALANCE SHEET AS AT 30th SEPTEMBER, 2019

(₹ in lakhs)

Particulars	As at 30.09.2019 (Un Audited)	As at 31.03.2019 (Audited)
A ASSETS		
1 Non-current Assets		
(a) Property, Plant and Equipment	10,083.68	10,653.84
(b) Capital work-in-progress	9.78	7.78
(c) Intangible Assets	0.10	1.13
(d) Financial Assets		
(i) Other Financial Assets	80.63	80.49
(e) Other Non-Current Assets	129.56	255.39
Total Non-Current Assets	10,303.75	10,998.63
2 Current Assets		
(a) Inventories	951.79	12,032.60
(b) Financial Assets		
(i) Trade Receivables	662.53	2,776.69
(ii) Cash and Cash equivalents	76.02	213.88
(iii) Bank balances other than (ii) above	-	136.77
(c) Other Current Assets	1,400.50	1,139.95
Total current assets	3,090.84	16,299.89
TOTAL ASSETS	13,394.59	27,298.52
B EQUITY AND LIABILITIES		
1 Equity		
(a) Equity Share Capital	4,370.05	4,370.05
(b) Other equity	(16,933.95)	(13,840.10)
Total equity	(12,563.90)	(9,470.05)
2 Liabilities		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	7,918.14	8,319.39
(ii) Other Financial liabilities	70.91	56.98
(b) Long Term Provisions	363.46	305.51
Total Non-current liabilities	8,352.51	8,681.88
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	6,879.98	6,889.58
(ii) Trade payables	610.72	12,064.67
(iii) Other Financial Liabilities	7,804.42	8,367.54
(b) Other current liabilities	2,195.18	658.19
(c) Short Term Provisions	115.68	106.71
Total current liabilities	17,605.98	28,086.69
Total liabilities	25,958.49	36,768.57
TOTAL EQUITY AND LIABILITIES	13,394.59	27,298.52

For GAYATRI SUGARS LTD.

T. SARITA REDDY
Managing Director

**GAYATRI SUGARS LIMITED**

CIN : L15421TG1995PLC020720

Regd. Office : 6-3-1090, TSR TOWERS, B-2, 2nd Floor,
Raj Bhavan Road, Somajiguda, Hyderabad- 500 082**STATEMENT OF UNAUDITED STANDLONE CASH FLOWS FOR THE HALF YEAR ENDED 30th SEPTEMBER, 2019**
(₹ in Lakhs)

Particulars	For the Half Year ended 30th Sept, 2019	For the Half Year ended 30th Sept, 2018
Cash flow from operating activities:		
Net profit before tax as per statement of Profit & Loss	(3,064.47)	(2,686.18)
Adjustments for:		
Depreciation and amortization expenses	571.23	504.64
Finance costs	1,207.11	1,021.55
Interest income	(0.94)	(0.51)
Operating profit before working capital changes	(1,287.07)	(1,160.50)
Adjustments for:		
(Increase) / Decrease in Trade Receivables	2,114.16	759.72
(Increase) / Decrease in non-current financial asset	(0.02)	(1.86)
(Increase) / Decrease in Other current assets	(260.55)	(2,767.65)
(Increase) / Decrease in Other non-current assets	125.83	-
(Increase) / Decrease in Inventory	11,080.81	7,295.54
Increase / (Decrease) in non-current financial liabilities	13.93	(221.00)
Increase / (Decrease) in current financial liabilities	(430.32)	(352.07)
Increase / (Decrease) in other current liabilities	1,536.99	1,058.92
Increase / (Decrease) in provisions	37.54	33.83
Increase / (Decrease) in Trade Payables	(11,453.95)	(3,235.44)
Cash generated from operations	1,477.35	1,409.49
Direct tax paid (net of refunds)	-	-
Net cash flow from/ (used in) operating activities (A)	1,477.35	1,409.49
Cash flow from investing activities		
Capital expenditure on fixed assets	(2.00)	(16.84)
Fixed deposits placed	(0.12)	-
Changes in other Bank Balances	136.77	(0.12)
Interest received	0.94	0.51
Net cash used in investing activities (B)	135.59	(16.45)
Cash flow from financing activities		
Repayment of long-term borrowings	(440.01)	(1,254.24)
Proceeds from short-term borrowings	(9.60)	(34.95)
Interest and other borrowing cost paid	(1,301.19)	(1,035.16)
Net cash (used in)/ flow from financing activities (C)	(1,750.80)	(2,324.35)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(137.86)	(931.31)
Opening balance of cash and cash equivalents	213.88	984.80
Closing balance of cash and cash equivalents	76.02	53.49

For GAYATRI SUGARS LTD.


T. SARITA REDDY
Managing Director



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 QUARTER AND HALF YEAR ENDED 30th SEPTEMBER, 2019

S.No	Particulars	Quarter ended			Half-Year ended		Year ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Segment Revenue						
	a) Sugar	1,251.30	10,242.77	2,401.26	11,494.07	7,457.04	27,977.45
	b) Distillery	234.23	1,201.86	486.62	1,436.09	1,252.42	4,906.24
	Total	1,485.53	11,444.63	2,887.88	12,930.16	8,709.46	32,883.69
	Less : Inter Segment Revenue	-	414.90	74.20	414.90	398.18	1,715.76
	Revenue from Operations	1,485.53	11,029.73	2,813.68	12,515.26	8,311.28	31,167.93
2	Segment Results						
	a) Sugar	(1,123.91)	(921.75)	(872.14)	(2,045.66)	(1,901.01)	(598.72)
	b) Distillery	(175.95)	363.21	(138.42)	187.26	233.29	973.01
	Total Segment results before Interest and Tax	(1,299.86)	(558.54)	(1,010.56)	(1,858.39)	(1,667.72)	374.29
	(i) Finance cost	595.32	611.79	545.53	1,207.11	1,021.55	2,351.14
	(ii) Other un-allocable income	0.21	0.82	0.92	1.03	3.09	30.19
	Profit/(Loss) before Tax	(1,894.96)	(1,169.51)	(1,555.17)	(3,064.47)	(2,686.18)	(1,946.66)
	Tax	-	-	-	-	-	-
	Net Profit /(Loss) after Tax	(1,894.96)	(1,169.51)	(1,555.17)	(3,064.47)	(2,686.18)	(1,946.66)
3	Segment Assets						
	a) Sugar	11,234.64	13,670.04	14,242.31	11,234.64	14,242.31	24,432.83
	b) Distillery	2,151.19	2,572.73	3,723.13	2,151.19	3,723.13	2,857.01
	c) Un-allocated	8.76	8.76	15.63	8.76	15.63	8.68
	Total	13,394.59	16,251.53	17,981.07	13,394.59	17,981.07	27,298.52
4	Segment Liabilities						
	a) Sugar	25,674.71	26,814.43	27,404.16	25,674.71	27,404.16	36,651.90
	b) Distillery	275.75	83.26	288.35	275.75	288.35	108.64
	c) Un-allocated	8.03	8.03	8.03	8.03	8.03	8.03
	Total	25,958.49	26,905.72	27,700.54	25,958.49	27,700.54	36,768.57

Notes on segment information :

- 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.

For GAYATRI SUGARS LTD

T. Sarita Reddy
T. SARITA REDDY
Managing Director