



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, 2022

		(₹ in lakhs)					
S.No	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
1	Income						
	Revenue from operations	9,940.91	1,213.76	7,541.34	16,165.83	13,591.59	36,069.96
	Other Income	15.85	1.06	5.88	17.24	6.54	49.73
	Total Income	9,956.76	1,214.82	7,547.22	16,183.07	13,598.13	36,119.69
2	Expenses						
	a. Cost of Material Consumed	12,551.24	-	10,128.95	12,585.29	10,237.26	25,674.10
	b. Purchase of stock-in-trade	-	(0.40)	56.25	286.27	81.78	298.38
	c. Changes in Inventories of finished goods, Work-in-Progress and Stock-in-trade	(5,733.65)	1,018.74	(4,917.98)	(591.85)	94.12	(266.66)
	d. Employee Benefits Expense	573.26	497.67	523.63	1,575.54	1,423.12	2,019.53
	e. Finance costs	795.86	707.47	689.28	2,270.25	1,971.80	2,530.47
	f. Depreciation and Amortization Expense	173.38	182.49	258.42	634.42	771.79	1,046.78
	g. Other Expenses	1,668.57	538.75	1,460.55	2,719.83	2,508.95	5,659.18
	Total Expenses	10,028.66	2,944.72	8,199.10	19,479.75	17,088.82	36,961.78
3	Profit/ (Loss) before exceptional items and tax (1-2)	(71.90)	(1,729.90)	(651.88)	(3,296.68)	(3,490.69)	(842.09)
4	Exceptional items	-	-	-	-	-	-
5	Net Profit/ (Loss) before tax (3+4)	(71.90)	(1,729.90)	(651.88)	(3,296.68)	(3,490.69)	(842.09)
6	Tax expenses	-	-	-	-	-	-
7	Net Profit/ (Loss) after tax (5-6)	(71.90)	(1,729.90)	(651.88)	(3,296.68)	(3,490.69)	(842.09)
8	Other comprehensive income						
	<i>Items that will not be reclassified to profit or loss:</i>						
	(a) Actuarial gain/ (loss) on defined benefit obligations	(17.77)	(17.76)	(17.42)	(53.29)	(52.24)	(76.03)
9	Total other comprehensive income (7 + 8)	(89.67)	(1,747.66)	(669.30)	(3,349.97)	(3,542.93)	(918.12)
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 excluding revaluation reserves						(20,593.13)
12	Networth						(15,938.91)
13	Earnings per Share (of ₹ 10/- each)						
	(not annualised for quarterly figures):						
	- Basic (₹)	(0.16)	(3.96)	(1.49)	(7.54)	(7.99)	(1.93)
	- Diluted (₹) (*antidilutive)	*(0.16)	*(3.96)	*(1.49)	*(7.54)	*(7.99)	*(1.93)



T. Santosh Reddy



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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, 2022

(₹ in lakhs)						
S.No	Particulars	Quarter ended			Nine months ended	
		31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)
1	Segment Revenue					
	a) Sugar	9,558.24	54.30	6,806.47	14,228.22	12,050.31
	b) Distillery	1,127.09	1,159.46	1,261.01	3,455.36	2,825.93
	Total	10,685.33	1,213.76	8,067.48	17,683.58	14,876.24
	Less : Inter Segment Revenue	744.42	-	526.14	1,517.75	1,284.65
	Revenue from Operations	9,940.91	1,213.76	7,541.34	16,165.83	13,591.59
2	Segment Results					
	a) Sugar	323.25	(1,079.45)	(142.22)	(1,858.71)	(1,941.48)
	b) Distillery	384.86	55.96	173.74	815.04	416.05
	Total	708.11	(1,023.49)	31.52	(1,043.67)	(1,525.43)
	Total Segment results before Interest and Tax	708.11	(1,023.49)	31.52	(1,043.67)	(1,525.43)
	(i) Finance cost	795.86	707.47	689.28	2,270.25	1,971.80
	(ii) Other un-allocable income	15.85	1.06	5.88	17.24	6.54
	Profit/(Loss) before Tax	(71.90)	(1,729.90)	(651.88)	(3,296.68)	(3,490.69)
	Tax	-	-	-	-	-
	Net Profit /(Loss) after Tax	(71.90)	(1,729.90)	(651.88)	(3,296.68)	(3,490.69)
3	Segment Assets					
	a) Sugar	17,274.07	12,913.21	17,038.66	17,274.07	17,038.66
	b) Distillery	1,878.16	1,585.88	1,669.96	1,878.16	1,669.96
	c) Un-allocated	78.37	54.80	33.72	78.37	33.72
	Total	19,230.60	14,553.89	18,742.34	19,230.60	18,742.34
4	Segment Liabilities					
	a) Sugar	38,735.64	33,965.16	37,422.12	38,735.64	37,422.12
	b) Distillery	68.01	72.11	160.08	68.01	160.08
	c) Un-allocated	-	-	8.03	-	8.03
	Total	38,803.65	34,037.27	37,590.23	38,803.65	37,590.23

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.
- Previous period's figures have been regrouped / reclassified wherever considered necessary to correspond with the current period's classification/ disclosures.



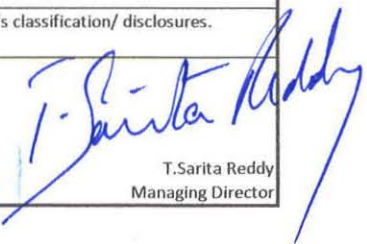
T. Santa Reddy

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Notes :	
1	The above published un-audited 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 and nine months ended 31st December 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 13th February 2023.
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 31st December 2022 is ₹ 4,688.95 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 Committee for Rehabilitation (CRF) scrutinised the company's application for restructuring the SDF loan 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 and the company had entered into Tripartite Agreement (TPA) for the Restructuring of the SDF Loan with GOI and the nodal agency (IFCI) on 18th August 2022, and the company has executed security documentation, filed the charge application with Registrars of Companies ("RoC") and waiting for charge certificate thereon and opened an escrow account for synchronising interest and principal payable for restructuring of SDF Loan. 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 instalments over the period of five years after the completion of 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 execution of Security documentation was completed and the charge certificate is pending from Registrars of Companies, the company has not recognised the impact of the restructuring in un-audited financial results for the quarter and nine months ended 31st December 2022. Further, as the Company has complied with all the requirements as per the Tripartite Agreement, the company has not recognised additional interest from the date of Administrative Approval (AA). Further, the company is of the view that once the charge certificate is submitted/filed with the concerned department the said loan will be restructured and 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 31st December 2022, the accumulated losses have completely eroded the net worth and its current liabilities exceeded the current assets by ₹ 20,425.38/- Lakhs as on that date. During the current period ending 31st December 2022, the company has incurred a loss of ₹ 3,296.68/- 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 and nine months ended 31st December 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	Sugar Industry being seasonal, the performance of the Company for the current and previous quarters are not comparable.
9	The previous period's figures have been regrouped / reclassified wherever considered necessary to correspond with the current period's classification/ disclosures.

Place : Hyderabad

Date : 13th February, 2023


T. Sarita Reddy
Managing Director



Independent Auditor's Review Report on the Unaudited 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 Unaudited Financial Results of **M/s. Gayatri Sugars Limited ('the Company')** for the quarter ended 31st December, 2022 and year to date from 1st April, 2022 to 31st December, 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 unaudited 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, which is subject to the fulfilment of certain terms & conditions. Subsequent to the completion of the said terms, 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 unaudited 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: 23234119BGXRYS3704



Place: Hyderabad

Date: 13th February, 2023