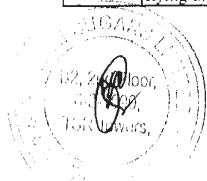
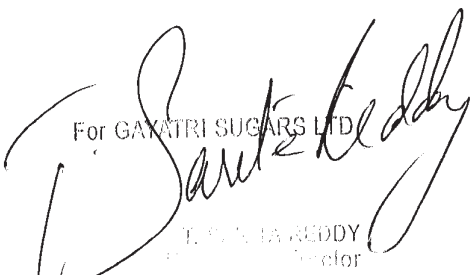


GAYATRI SUGARS LIMITED					
Registered office : Door No.6-3-1090,B-2, T.S.R. Towers Rajbhavan Road,Somajiguda,Hyderabad-500 082					
Part I STATEMENT OF UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2014					
(₹ in lakhs)					
Sr. No	Particulars	Quarter Ended			Year Ended
		30.06.2014	31.03.2014	30.06.2013	31.03.2014
		Unaudited	(Refer Note 8 below)	Unaudited	Audited
1.	<b>Income from Operations</b>				
	a). Net Sales/ Income from Operations (Net of excise duty)	8,550	9,501	6,281	19,668
	b). Other Operating Income	15	8	6	37
	<b>Total income from operations (net)</b>	<b>8,565</b>	<b>9,509</b>	<b>6,287</b>	<b>19,705</b>
2.	<b>Expenses</b>				
	a). Cost of materials consumed	539	13,585	453	20,091
	b). Changes in inventories of finished goods and work in progress	8,094	(7,972)	5,647	(5,169)
	c). Employee benefits expense	291	352	239	1,134
	d). Depreciation and amortisation expense	320	316	313	1,262
	e). Other expenses	353	1,147	362	2,524
	<b>Total expenses</b>	<b>9,597</b>	<b>7,428</b>	<b>7,014</b>	<b>19,842</b>
3.	<b>Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>(1,032)</b>	<b>2,081</b>	<b>(727)</b>	<b>(137)</b>
4.	Other Income	1	16	-	19
5.	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	<b>(1,031)</b>	<b>2,097</b>	<b>(727)</b>	<b>(118)</b>
6.	Finance costs	554	519	525	2,169
7.	<b>Profit/(Loss) from ordinary activities after finance costs and before exceptional items (5- 6)</b>	<b>(1,585)</b>	<b>1,578</b>	<b>(1,252)</b>	<b>(2,287)</b>
8.	Exceptional items (Refer Note No.6)	756	-	-	-
9.	<b>Profit / (Loss) from ordinary activities before tax (7 - 8)</b>	<b>(2,341)</b>	<b>1,578</b>	<b>(1,252)</b>	<b>(2,287)</b>
10.	Tax expenses	-	-	-	-
11.	<b>Net Profit / (Loss) from ordinary activities after tax (9 - 10)</b>	<b>(2,341)</b>	<b>1,578</b>	<b>(1,252)</b>	<b>(2,287)</b>
12.	Extraordinary items (net of tax expense)	-	-	-	-
13.	<b>Net Profit / (Loss) for the period (11 - 12)</b>	<b>(2,341)</b>	<b>1,578</b>	<b>(1,252)</b>	<b>(2,287)</b>
14.	Paid-up equity share capital (Face value ₹ 10 per share)	-	-	-	4,370
15.	Reserve excluding Revaluation reserves	-	-	-	(5,846)
16.	Earnings per share (of ₹ 10 each)(not annualised)				
	a). Basic (₹)	(5.42)	3.35	(2.93)	₹(5.49)
	b). Diluted (₹)	*(5.42)	3.14	*(2.93)	₹*(5.49)
	* (is anti-dilutive)				
	# annualised				

Part II : SELECT INFORMATION FOR THE QUARTER ENDED JUNE 30, 2014					
Particulars	Quarter Ended			Year Ended	
	30.06.2014	31.03.2014	30.06.2013	31.03.2014	
<b>A PARTICULARS OF SHAREHOLDING</b>					
1. Public shareholding					
- Number of shares	18,662,755	18,662,755	18,662,755	18,662,755	
- Percentage of shareholding	42.70%	42.70%	42.70%	42.70%	
2. Promoters and Promoter Group Shareholding					
a). Pledged/Encumbered					
- Number of shares	-	-	13,111,093	-	
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	52.36%	-	
- Percentage of shares (as a % of the total share capital of the company)	-	-	30.00%	-	
b). Non-encumbered					
- Number of shares	25,040,888	25,040,888	11,929,795	25,040,888	
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	47.64%	100.00%	
- Percentage of shares (as a % of the total share capital of the company)	57.30%	57.30%	27.30%	57.30%	

Particulars	Quarter ended
	30.06.2014
<b>B INVESTOR COMPLAINTS</b>	
Number of complaints pending as on 01.04.2014	Nil
Received during the quarter	Nil
Disposed off during the quarter	Nil
Lying unresolved as on 30.06.2014	Nil



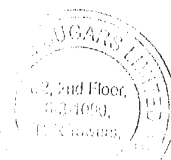
For GAYATRI SUGARS LTD  
  
T. SANKAR REDDY  
Director

SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED					
Sr. No.	Particulars	Quarter ended			Year Ended
		30.06.2014	31.03.2014	30.06.2013	31.03.2014
		Unaudited	(Refer Note 8 below)	Unaudited	Audited
1.	<b>Segment Revenue</b>				
	a) Sugar	8,098	9,794	5,766	18,778
	b) Distillery	631	839	521	2,419
	Total	<b>8,729</b>	<b>10,633</b>	<b>6,287</b>	<b>21,197</b>
	Less: Inter Segment Revenue	164	1,124	-	1,492
	<b>Net Sales/Revenue from Operations</b>	<b>8,565</b>	<b>9,509</b>	<b>6,287</b>	<b>19,705</b>
2.	<b>Segment Results</b>				
	a) Sugar	(1,337)	1,674	(912)	(1,218)
	b) Distillery	305	407	185	1,081
	Total	<b>(1,032)</b>	<b>2,081</b>	<b>(727)</b>	<b>(137)</b>
	Less: Inter Segment elimination	-	-	-	-
	<b>Total segment results before interest and tax</b>	<b>(1,032)</b>	<b>2,081</b>	<b>(727)</b>	<b>(137)</b>
	(i) Finance Costs (Refer Note.6)	1,310	519	525	2,169
	(ii) Other un-allocable Income	(1)	(16)	-	(19)
	<b>Profit/(Loss) before tax</b>	<b>(2,341)</b>	<b>1,578</b>	<b>(1,252)</b>	<b>(2,287)</b>
	Tax	-	-	-	-
	<b>Net Profit/(Loss) after tax</b>	<b>(2,341)</b>	<b>1,578</b>	<b>(1,252)</b>	<b>(2,287)</b>
3.	<b>Capital employed</b>				
	a) Sugar	(5,986)	(3,675)	(2,474)	(3,675)
	b) Distillery	3,801	3,831	3,707	3,831
	Unallocated	(17)	(17)	(59)	(17)
	Total	<b>(2,202)</b>	<b>139</b>	<b>1,174</b>	<b>139</b>

## Notes:

- The above results have been reviewed by the Audit Committee and taken on record and approved by the Board of Directors at their meetings held on August 11, 2014.
- The Statutory Auditors have carried out the "Limited Review" of the financial results for the quarter ended June 30, 2014.
- Sugar industry being seasonal, the performance of the Company varies from quarter to quarter.
- Effective April 1, 2014, Schedule II of the Companies Act, 2013, prescribes the useful lives of various types of assets. Pending the determination of revised useful lives by the Management, the Company continues to provide depreciation at the rates followed hitherto.
- As at June 30, 2014 the accumulated losses amounted to ₹ 8,403 Lakhs which is more than 50% of the peak net worth of the Company during the four financial years immediately preceding the current financial year. The Company made a reference to the Board for Industrial and Financial Reconstruction (BIFR) on August 5, 2013, under Section 23 of Sick Industrial Companies (Special Provisions) Act, 1985. Further, the Company is dependent on continuous support from its promoters. As of June 30, 2014 the promoters have arranged an unsecured loan of ₹ 5,179 Lakhs. The financial statements have been prepared on a going concern basis based on a Comfort letter received from its promoters for continued support to the Company with all necessary assistances including financial and operational to continue with the operations of the Company. Promoters are hopeful that Company would be able to generate sufficient profits in the foreseeable future to make it economically viable.
- The Company paid interest on Working Capital loans raised from the Banks at a concessional rate under Corporate Debt Restructuring ('CDR') scheme as per the Reserve Bank of India guidelines, pursuant to which, the Banks had a Right of Recompense ('ROR') i.e. interest rate concession given earlier to the Company, which shall be compensated by the Company at the end of the scheme. Upon expiry of the CDR time period, the respective banks raised a demand of ₹ 840 lakhs towards ROR and the Company's proposal for payment of interest claims partly in cash and the balance in the form of issue of redeemable preference shares had not been agreed by the banks during the previous years. The Company paid ₹ 84 lakhs till March 31, 2014. As the Company was incurring losses for past few years and there was no cash surplus, the Company was pursuing with the banks for waiver of balance amount of ₹ 756 Lakhs. In consortium meeting held on June 9, 2014, the member banks of the consortium decided that the ROR payment should be made at the earliest by March 2015. Consequently, the management of the Company has agreed to pay ROR amount in installments before March 31, 2015 and tendered post-dated cheques payable during November 2014 to March 2015 and has accordingly made provision towards the same.
- During the previous year, the executive director was reappointed by the Board of Directors of the Company, for a period of three years with effect from May 1, 2013, on the same terms of earlier appointment. The said reappointment was approved by the members in the Annual General Meeting held on September 30, 2013. The Central Government approval is awaited in this behalf.
- Figures for the quarter ended March 31, 2014 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2014 and the published figures for the nine months ended December 31, 2013.
- Previous quarter/period's figures have been regrouped / rearranged wherever considered necessary to conform with the current quarter classification.

Place: Hyderabad  
Date: August 11, 2014



By the Order of the Board

T. Santosh Reddy  
Executive Director

**INDEPENDENT AUDITORS' REVIEW REPORT  
TO THE BOARD OF DIRECTORS OF  
GAYATRI SUGARS LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **GAYATRI SUGARS LIMITED** ("the Company") for the quarter ended June 30, 2014 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 5 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 misstatement. 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.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 ) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw attention to the following Notes to the Statement;
  - (i) Note 5 to the Statement, which indicates that as at June 30, 2014 the accumulated losses amounted to ₹ 8,403 lakhs which has completely eroded the net-worth of the Company as on that date. The Company had also made reference to the Board for Industrial and Financial Reconstruction (BIFR) on August 5, 2013, under Section 23 of Sick Industrial Companies (Special Provisions) Act, 1985. These financial results have been prepared on a going concern basis for the reasons stated in the said Note.

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# Deloitte Haskins & Sells

- (ii) Note 7 to the Statement, regarding the payment of remuneration to an executive director reappointed during the previous year, which is in excess of the limits specified in Schedule XIII, to the Companies Act, 1956 by ₹ 46 Lakhs, and in respect of which the approval from the Central Government is awaited.

Our report is not qualified in respect of these matters.

5. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreement with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter ended June 30, 2014 of the Statement, from the details furnished by the Registrars

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm Registration No.008072S)

  
Ganesh Balakrishnan  
Partner  
Membership No. 201193

HYDERABAD, August 11, 2014