

February 14, 2024

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

Dear Sir/Madam,

Sub: Outcome of the Board Meeting of Gayatri Sugars Limited (the 'Company') held on Wednesday, February 14, 2024
Ref: Reg. 30 read with Reg. 33 of SEBI (LODR) Regulations, 2015

we wish to inform you that the Board of Directors of the Company at their meeting held on today, i.e. February 14, 2024 has, inter alia, transacted the following business:

- Approved the Un-Audited Financial Results for the third quarter and nine months ended on December 31, 2023 with limited review report submitted by MOS & Associates LLP, the Statutory Auditors of the Company.

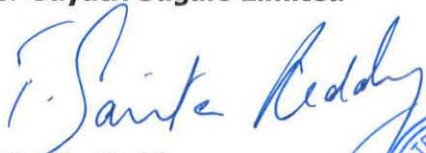
The Board Meeting Commenced at 3:45 and concluded at 04:45 PM

A copy of the said results together with the Limited Review Report is enclosed herewith for the Third quarter and nine months ended December 31, 2023 are enclosed herewith.

These are also being made available on the website of the Company at www.gayatrisugars.com.

This is for your information and records.

Yours truly
For **Gayatri Sugars Limited**



T Sarita Reddy
Managing Director
DIN: 00017122



Regd. & Corp. Office :

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

Factories :

Kamareddy Unit : Adloor Yellareddy, Sadasivanagar Mandal
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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 STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2023

		(₹ in lakhs)					
S.No	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
1	Income						
	Revenue from operations	7,574.05	1,892.53	9,940.91	15,248.08	16,165.83	38,831.38
	Other Income	12.29	0.46	15.85	13.84	17.24	54.98
	Total Income	7,586.34	1,892.99	9,956.76	15,261.92	16,183.07	38,886.36
2	Expenses						
	a. Cost of Material Consumed	11,617.14	-	12,551.24	11,649.82	12,585.29	28,669.33
	b. Purchase of stock-in-trade	112.91	(1.56)	-	737.73	286.27	286.27
	c. Changes in Inventories of finished goods, Work-in-Progress and Stock-in-trade	(7,128.39)	1,650.05	(5,733.65)	(1,083.81)	(591.85)	(1,079.42)
	d. Employee Benefits Expense	586.07	546.91	573.26	1,689.57	1,575.54	2,209.33
	e. Finance costs	782.35	564.31	795.86	1,906.29	2,270.25	2,388.64
	f. Depreciation and Amortization Expense	170.57	164.95	173.38	498.81	634.42	797.18
	g. Other Expenses	1,314.05	673.06	1,668.57	2,521.22	2,719.83	4,768.34
	Total Expenses	7,454.70	3,597.72	10,028.66	17,919.63	19,479.75	38,039.67
3	Profit/ (Loss) before exceptional items and tax (1-2)	131.64	(1,704.73)	(71.90)	(2,657.71)	(3,296.68)	846.69
4	Exceptional items	-	-	-	-	-	2,585.50
5	Net Profit/ (Loss) before tax (3+4)	131.64	(1,704.73)	(71.90)	(2,657.71)	(3,296.68)	3,432.19
6	Tax expenses	-	-	-	-	-	-
7	Net Profit/ (Loss) after tax (5-6)	131.64	(1,704.73)	(71.90)	(2,657.71)	(3,296.68)	3,432.19
8	Other comprehensive income						
	<i>Items that will not be reclassified to profit or loss:</i>						
	(a) Actuarial gain/ (loss) on defined benefit obligations	(5.87)	(6.28)	(17.77)	(17.61)	(53.29)	30.90
	(a) Actuarial gain/ (loss) on defined benefit obligations						
9	Total other comprehensive income (7 + 8)	125.77	(1,711.01)	(89.67)	(2,675.32)	(3,349.97)	3,463.09
10	Paid Up Equity Share Capital (Face Value ₹ 10/- per Share)	6,479.71	5,853.38	4,370.05	6,479.71	4,370.05	4,370.05
11	Reserves excluding revaluation reserves						(16,789.20)
12	Networth						(12,165.88)
13	Earnings per Share (of ₹ 10/- each)						
	(not annualised for quarterly figures):						
	- Basic (₹)	0.21	(3.07)	(0.16)	(4.92)	(7.54)	7.85
	- Diluted (₹) (*antidilutive)	0.16	*(3.07)	*(0.16)	*(2.50)	*(7.54)	4.05

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 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 NINE MONTHS ENDED 31ST DECEMBER, 2023

		(₹ in lakhs)					
S.No	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2023 (Un-Audited)	30.09.2023 (Un-Audited)	31.12.2022 (Un-Audited)	31.12.2023 (Un-Audited)	31.12.2022 (Un-Audited)	31.03.2023 (Audited)
1	Segment Revenue						
	a) Sugar	7,554.85	136.13	9,558.24	13,159.86	14,228.22	37,745.43
	b) Distillery	707.58	1,756.40	1,127.09	4,013.65	3,455.36	4,829.50
	Total	8,262.43	1,892.53	10,685.33	17,173.51	17,683.58	42,574.93
	Less : Inter Segment Revenue	688.38		744.42	1,925.43	1,517.75	3,743.55
	Revenue from Operations	7,574.05	1,892.53	9,940.91	15,248.08	16,165.83	38,831.38
2	Segment Results						
	a) Sugar	608.93	(1,298.79)	323.25	(1,260.27)	(1,858.71)	2,117.06
	b) Distillery	292.77	157.91	384.86	495.01	815.04	1,063.29
	Total	901.70	(1,140.88)	708.11	(765.26)	(1,043.67)	3,180.35
	Total Segment results before Interest and Tax	901.70	(1,140.88)	708.11	(765.26)	(1,043.67)	3,180.35
	(i) Finance cost	782.35	564.31	795.86	1,906.29	2,270.25	2,388.64
	(ii) Other un-allocable income	12.29	0.46	15.85	13.84	17.24	54.98
	Profit/(Loss) before exceptional items and tax	131.64	(1,704.73)	(71.90)	(2,657.71)	(3,296.68)	846.69
	Exceptional items	-	-	-	-	-	2,585.50
	Profit/(Loss) before tax	131.64	(1,704.73)	(71.90)	(2,657.71)	(3,296.68)	3,432.19
	Tax	-	-	-	-	-	-
	Net Profit / (Loss) after Tax	131.64	(1,704.73)	(71.90)	(2,657.71)	(3,296.68)	3,432.19
3	Segment Assets						
	a) Sugar	19,019.41	12,654.88	17,274.07	19,019.41	17,274.07	16,158.59
	b) Distillery	2,409.39	1,789.60	1,878.16	2,409.39	1,878.16	3,453.13
	c) Un-allocated	98.20	97.81	78.37	98.20	78.37	96.78
	Total	21,527.00	14,542.29	19,230.60	21,527.00	19,230.60	19,708.50
4	Segment Liabilities						
	a) Sugar	33,974.23	27,454.11	38,735.64	33,974.23	38,735.64	32,005.04
	b) Distillery	67.22	10.65	68.01	67.22	68.01	122.61
	c) Un-allocated	-	-	-	-	-	-
	Total	34,041.45	27,464.76	38,803.65	34,041.45	38,803.65	32,127.65

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.






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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 unaudited financial results for the quarter and nine months ended 31st December, 2023 have been reviewed by the Audit Committee and considered and approved by the Board of Directors of the Company at its meeting held on 14th February, 2024.
- 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. 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, the Company made an application to the Ministry of Consumer Affairs, Food and Public Distribution (Ministry), Government of India (GOI) for restructuring of the SDF loan as per the operational guidelines issued by the GOI. The Company's application was accepted by the Committee for rehabilitation and recommended to GOI for Administrative Approval (AA) for restructuring of the SDF loan. The GOI issued AA approval on 20.05.2022 which is valid till 30/04/2024, with terms of waiver of penal interest and capitalise the regular interest with principal amount, Rate of Interest @4.65% p.a, moratorium period of 24 months and loan repayable in 60 EMIs. The Company complied with all the terms and conditions of AA and executed loan documents i.e., Tripartite Agreement, Escrow Agreement, Hypothecation Deed and Memorandum of Deposit of Title Deeds (MODT) and only the registration of MODT in the office of the Sub Registrar of Assurances which is pending due to technical defects in Dharani Portal implemented by the Government of Telangana and the company is confident of registering the MODT before the expiry of the AA granted. In view of the above the company is very much confident that the petition filed by IFCI Ltd before the Debt Recovery Tribunal (DRT) will be withdrawn/disposed.
- 5 During the current nine months ended 31/12/2023 against the total outstanding 3,38,00,000 share warrants the company has received in full and allotted 1,00,96,662 shares amounting to Rs. 10,09.67 Lakhs in respect of pending 2,37,03,338 no. of convertible warrants the company has received the share warrant amount of Rs. 632.52 Lakhs, and the balance shall be received in the due course. Further during the current nine months ended, the company allotted 1,10,00,000 Equity Shares of Rs. 10/- each by way of conversion of 1,10,00,000 6% Optionally Convertible Redeemable Preference Shares (OCRPS) of Rs. 10 each to the promoter group i.e., 92,89,790 OCRPS held by M/s. T.S.R. Holdings Private Limited and 17,10,210 OCRPS held by M/s. Gayatri Fin-Holdings Private Limited, on request by said OCRPS holders.
- 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 The previous period's figures have been regrouped / reclassified wherever considered necessary to correspond with the current period's classification/disclosures.

Place : Hyderabad
Date : 14/02/2024



T. Sarita Reddy

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, 2023 and year to date from 1st April, 2023 to 31st December, 2023 ("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 the Unaudited Financial Results, regarding the High Court dismissing the writ filed by the company challenging the levy of electricity duty by the state government on the 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) *As stated in Note No.4 of the Unaudited Financial Results, the petition filed by IFCI Limited before the Debt Recovery Tribunal (DRT) for recovery of Sugar Development Fund (SDF) dues, is pending for disposal/ withdrawal for detailed reasons stated in the said note.*

Our conclusion is not modified in respect of above matter.

For M O S & ASSOCIATES LLP

Chartered Accountants

Firm's Registration No. 001975S/S200020

Commnen Mani

Partner

Membership No. 234119

UDIN: 24234119BKALER2757



Place: Hyderabad

Date: 14th February, 2024