

Ref/GBLSEC/BM/4-2016-2017
Date: 11th November, 2016

To
The Secretary,
Department of Corporate Affairs,
BSE Limited,
Phiroze Jeejeebhoy Towers,
25th Floor, Dalai Street,
Mumbai —400 001.

Dear Sir,

Sub: - Outcome of the Board Meeting held on 11th November, 2016

Ref: - Regulation 30 and 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the above cited subject, we hereby inform that the Board of Directors of the Company in their just concluded meeting, have, inter-alia considered the following matters:

- a) Approved the Un-audited Financial Results for the Second quarter ended 30th September, 2016.

*In this connection, please find the enclosed following documents:

- a) Statement of Un-audited Financial Results for the Second quarter ended 30th September, 2016.
- b) Limited Review Report.

— This is for your information and records.

Thanking You,

Yours faithfully

For GAYATRI BIOORGANICS LIMITED

C.V.Rayudu
Whole Time Director



Regd. & Corp. Office :

Gayatri Bio Organics Limited, B3, 3rd Floor, 6-3-1090, TSR Towers,
Raj Bhavan Road, Somajiguda, Hyderabad 500 082. Telangana

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GAYATRI BIOORGANICS LIMITED

Registered office: B3, Third floor, 6-3-1090, TSR Towers, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082



Part I : Statement of Unaudited Financial Results for the Quarter/Half Year Ended September 30, 2016

All amounts in Indian Rupees lakhs

	Particulars	3 Months ended			6 Months ended		Year Ended
		30-Sep-16*	30-Jun-16	30-Sep-15	30-Sep-16	30-Sep-15	31-Mar-16
		(Un Audited)	(Un Audited)	(Un Audited)	(Unaudited)	(Unaudited)	(Audited)
[1]	Income from operations						
a	Sales / income from operations (net of excise duty) (Refer Note 5(ii))	739.19	1,435.51	2,676.28	2,174.70	9,689.77	14,283.79
	Less: Excise Duty	(3.72)	(93.11)	(94.61)	(96.83)	(266.00)	(519.48)
	Net sales / income from operations (net of excise duty)	735.47	1,342.40	2,581.67	2,077.87	9,423.77	13,764.31
b	Other operating income	1.20	4.26	4.16	5.46	21.01	51.08
	Total income from operations (net)	736.67	1,346.66	2,585.83	2,083.33	9,444.78	13,815.39
[2]	Expenses						
a	Cost of materials consumed	29.94	818.38	971.35	848.32	3,555.23	9,234.07
b	Cost of Traded goods	-	-	958.68	-	4,234.67	4,560.44
c	Changes in inventories of finished goods and work-in-progress	336.14	40.33	(308.18)	376.47	(212.95)	(171.59)
d	Employee benefits expense	253.80	234.27	221.62	488.07	466.34	989.02
e	Depreciation expenses	53.34	53.35	53.01	106.69	105.60	213.39
f	Other expenses	180.21	661.90	382.89	842.11	753.87	1,684.90
	Total expenses	853.44	1,808.23	2,279.37	2,661.67	8,902.76	16,510.23
[3]	Profit/ (Loss) from operations before other income, finance costs and exceptional items (1-2)	(116.77)	(461.57)	306.46	(578.34)	542.02	(2,694.84)
[4]	Other income	9.09	6.99	4.45	16.08	84.86	96.14
[5]	Profit/ (Loss) from ordinary activities before finance costs and exceptional items (3+4)	(107.68)	(454.58)	310.91	(562.26)	626.88	(2,598.70)
[6]	Finance costs	200.97	375.00	282.95	575.97	521.04	1,274.03
[7]	Profit/ (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(308.64)	(829.58)	27.96	(1,138.22)	105.84	(3,872.73)
[8]	Exceptional items (Refer Note 5)	1,685.95	(1,385.11)	-	(3,071.07)		-
[9]	Profit/ (Loss) for the period before tax (7+8)	(1,994.60)	(2,214.69)	27.96	(4,209.29)	105.84	(3,872.73)
[10]	Tax expense - Current	-	-	-	-	19.43	-
[11]	Net Profit/ (Loss) from ordinary activities after tax (9+10)	(1,994.60)	(2,214.69)	27.96	(4,209.29)	86.41	(3,872.73)
[12]	Extraordinary items (net of tax expense)	-	-	-	-	-	-
[13]	Net Profit/(Loss) for the period (11+12)	(1,994.60)	(2,214.69)	27.96	(4,209.29)	86.41	(3,872.73)
[14]	Paid-up equity share capital (face value of INR 10/- per share)						6,178.13
[15]	Reserves excluding revaluation reserves as per balance sheet of previous accounting year						(7,958.44)
[16]	Earnings per share before extraordinary items (of INR 10/- each) (not annualised)						
	Basic and diluted EPS	(0.56)	(1.40)	0.02	(1.96)	0.03	(7.01)
	Earnings per share after extraordinary items (of INR 10/- each) (not annualised)						
	Basic and diluted EPS	(2.25)	(3.64)	0.02	(1.39)	0.03	(7.01)

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**NOTES**

1	The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on November 11, 2016.
2	The entire operations of the company relate to only one segment namely "Maize Processing and its sales".
3	The Company had issued 3,838,135 6% Cumulative Redeemable Optionally Convertible Preference Shares of Rs.100 each to the Promoters on 12 September 2007. Out of these, 752,500 Preference shares of Rs.100 each were converted into 7,525,000 Equity Shares of Rs.10 each in 2010. Further 10,85,635 preference shares of Rs. 100/- each have been converted into 10856350 equity shares of Rs. 10 each based on the option for conversion exercised by Preference Shareholders and the Members in the Extra Ordinary General Meeting (EGM) of Members held on July 24, 2015 approved the conversion of 10,85,635 preference share of Rs. 100 each into 10856350 equity shares of Rs. 10 each. Preference shareholders holding the Balance 20,00,000 Preference Shares of Rs.100 each have exercised the option of conversion into ordinary Equity Shares of the Company in the Annual General Meeting of the Company held on 26th September 2016 and the conversion is in process.
4	<p>As at September 30, 2016 the accumulated losses amounted to Rs.121,77,72,335 which has completely eroded the networth of the Company. The Company based on the losses as at March 31, 2016, wherein erosion of more than fifty percent of peak networth of the company during the four financial years immediately preceding the financial year 2015-16 was reported, made an intimation to BIFR of the said matter on July 25, 2016.</p> <p>Company has obtained postal ballot approval from the members for disposal of its undertakings, Unit -II at Biccavolu during June 2016 and Unit -I during September 2016. The Company is in discussion with the prospective buyer subsequent to the quarter.</p> <p>Notwithstanding the above developments, the financial statements have been prepared on a going concern basis based on a Comfort letter received from promoters of the Company for continued support to the company with all necessary assistances including financial and operational to continue the operations of the company.</p>
5	Exceptional Items i) The company based on the internal assessment of the stocks held in Unit-2 have written off 10037.06 MTs of Maize stock during the quarter ended June 30, 2016 valued at Rs.13,85,11,428/- which suffered heavy damages. ii) Sales/ Income from Operations during quarter under review include sale of maize stock due to partial damage of the stock 12.217 MTs held in Unit -2 valued at Rs.16,85,95,290/- and no production activity at the units. The Cost of the maize sold is considered as exceptional item.
6	Matter of Qualification in the Auditor's Report Statutory Auditors of the Company have included a qualification with respect to non-provisioning of Debtors overdue and outstanding for more than one year aggregating to Rs.7,79,78,564/- in the Auditors report for the year ended 31 March 2016. Management Response to Qualification in the Auditor's Report The Management considering that some the balances are outstanding for more than 3 years, have written off Rs. 22997579/- during the quarter ended June 30, 2016. The management will continue to pursue for the recovery in respect of the same and other overdue receivables, and believes that the same are fully recoverable.
7	The figures of earlier periods have been re-grouped, to be in conformity with current period's classification.



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GAYATRI
March 31, 2016
(Audited)

Statement of assets and liabilities		Rs. Lacs	
S.No.	Particulars	As At September 30, 2016 (Unaudited)	March 31, 2016 (Audited)
	EQUITY AND LIABILITIES		
1	Shareholders' Funds		
	Share capital		8,178.13
	Reserves and surplus	8,178.13	8,178.13
	Sub-total-Shareholders' funds	(12,167.72)	(7,958.44)
2	Non-Current Liabilities	(3,989.59)	219.70
	Long-term borrowings		
	Long term provisions	1,374.22	1,363.11
	Sub-total-Non-current liabilities	169.82	141.27
3	Current liabilities	1,544.04	1,504.38
	Short-term borrowings		
	Trade payables	7,496.29	7,166.05
	Other current liabilities	1,771.29	2,955.35
	Short term provisions	2,357.82	2,309.66
	Sub-total-Current liabilities	-	15.10
	TOTAL-EQUITY AND LIABILITIES	11,625.40	12,446.15
		9,179.85	14,170.23
B	ASSETS		
1	Non-current assets		
	Fixed assets		
	Non current investments	5,094.80	5,170.63
	Long-term loans and advances	0.15	0.15
	Sub-total-Non-current assets	237.26	234.65
2	Current assets	5,332.21	5,405.43
	Inventories		
	Trade receivables	205.47	3,669.46
	Cash and cash equivalents	3,215.30	4,362.87
	Short term loan and advances	79.68	196.41
	Other current assets	317.94	507.22
	Sub-total-Current assets	29.25	28.84
	TOTAL-ASSETS	3,847.64	8,764.80
		9,179.85	14,170.23
Place	Hyderabad	By order of the Board of Directors	
Date	November 11, 2016	T. Sandeep Kumar Reddy Chairman	



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Limited Review Report

To
The Board of Directors
Gayathri BioOrganics Limited

1. We have reviewed the accompanying "Statement of Unaudited Financial Results for the Quarter/ Half year ended September 30, 2016" ("the Statement") of Gayathri BioOrganics Limited ("the Company"). This Statement is the responsibility of the Company's Management and has been approved by its Board of Directors. Our responsibility is to issue a report on the said Statement based on our review.
2. We conducted our review of the said 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 from 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.

3. Basis for Qualified Conclusion

The Company's receivables include certain receivables amounting to Rs. 19,61,72,776/- which are overdue and outstanding for a period more than one year and further, no confirmation of balances is on record for the said receivables. The management believes that the same are fully recoverable as it is in the process of collecting the amounts and no provisions are required. In the absence of adequate documentation, we are unable to comment on the timing and the ultimate amount of collection and its consequential impact on the Loss for the year.

4. Without qualifying our report, we draw attention to Note 4 of the Statement:

As at September 30, 2016 the accumulated losses amounted to Rs. Rs.121,77,72,335/-, which has completely eroded the networth of the Company. These conditions, along with other matters as set forth in the said Note, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The financial statements have been prepared on a going concern basis for the reasons stated in the said note.

5. Qualified Conclusion

In our opinion and to the best of our information and according to the explanations given to us, except for the matter described in the Paragraph 3 above (Basis for Qualified Conclusion), nothing has come to our attention that causes us to believe that the said Statement of unaudited financial results prepared in accordance with applicable Accounting Standards specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting




with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

for M. Bhaskara Rao & Co.
Chartered Accountants
Firm Registration No.000459S



Hyderabad, November 11, 2016


D. Bapu Raghavendra
Partner
Membership No: 213274