

Ref/SEC/BM/4-2017-18  
Date: 13<sup>th</sup> December, 2017

The Secretary,  
Department of Corporate Affairs,  
B S E Limited,  
Phiroze Jeejeebhoy Towers,  
25<sup>th</sup> Floor, Dalai Street,  
MUMBAI —400 001.

Dear Sir,

**Sub: - Outcome of the Board Meeting.**

The Board of the directors of the Company in their just concluded meeting inter-alia considered the following matters:


- a) Approved the Un-Audited financial results for the Second quarter ended 30<sup>th</sup> September, 2017.

This is for your information and records.

Thanking You,

Yours faithfully

For. GAYATRI BIOORGANICS LIMITED

  
C.V. Rayudu  
Whole Time Director



GAYATRI BIOORGANICS LIMITED

Registered office: B3, Third floor, 6-3-1090, TSR Towers, Raj Bhavan Road, Somajiguda, Hyderabad - 500 082  
Website: www.gayatribioorganics.com, CIN: L24110TG1991PLC013512

Rs. in Lakhs


Statement of Un Audited standalone Financial Results for the Quarter/Half year ended 30th September 2017						
Sr.	Particulars	Quarter Ended			Half year ended	
		30.09.2017 (Unaudited)	30.06.2017 (Unaudited)	30.09.2016 (Unaudited)	30.09.2017 (Unaudited)	30.09.2016 (Unaudited)
1	Revenue from operations (Refer Note 6)	-	-	-	-	-
2	Other Income	-	-	-	-	-
3	<b>Total Revenue from operations (1+2)</b>	-	-	-	-	-
4	Expenses (Refer Note 6)					
	Cost of Materials Consumed	-	-	-	-	-
	Changes in Inventories of Finished Goods and Work in Progress	-	-	-	-	-
	Employee Benefits Expenses	-	-	-	-	-
	Finance Cost	-	-	-	-	-
	Depreciation and Amortisation Expenses	-	-	-	-	-
	Other Expenses (Including Excise expense)	-	-	-	-	-
	<b>Total Expenses</b>	-	-	-	-	-
5	Profit/(Loss) before exceptional and extraordinary items and tax (3-4)	-	-	-	-	-
6	Exceptional Items	-	-	-	-	-
7	<b>Profit/(Loss) before tax (5-6)</b>	-	-	-	-	-
8	Tax Expense	-	-	-	-	-
9	<b>Profit/(Loss) from continuing operations</b>	-	-	-	-	-
10	Profit/(Loss) from discontinuing operations (Refer Note 6)	(1,011.46)	(615.68)	(2,091.65)	(1,627.14)	(4,403.39)
11	Tax expense of discontinuing operations (Refer Note 6)	-	-	-	-	-
12	<b>Profit / (Loss) from discontinuing operations after tax (10-11) (Refer Note 6)</b>	(1,011.46)	(615.68)	(2,091.65)	(1,627.14)	(4,403.39)
13	<b>Net Profit/(Loss) for the period (9+12)</b>	(1,011.46)	(615.68)	(2,091.65)	(1,627.14)	(4,403.39)
14	Other Comprehensive Income (net of Tax)	(2.75)	-	(2.75)	(2.75)	(2.75)
15	<b>Total Comprehensive Income/(Loss) (After tax) (13+14)</b>	(1,014.21)	(615.68)	(2,094.40)	(1,629.89)	(4,406.14)
16	Paid-up Equity Share Capital	7,878.81	7,878.81	6,178.13	7,878.81	6,178.13
17	Earnings per share (for discontinued operations)					
	Basic	(1.29)	(0.78)	(3.39)	(2.07)	(7.13)
	Diluted	(1.29)	(0.78)	(3.39)	(2.07)	(7.13)

NOTES

1	The above results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on December 13, 2017. The financial statements are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by circular no CIR/CFD/FAC/62/2016 dt. July 05, 2016.		
2	These financial results are the Company's first Ind-AS financial results. The Company has adopted all the Ind-AS standards and the adoptions were carried out in accordance with Ind-AS 101-First time adoption of Indian Accounting Standards. The transition was carried out from Accounting Principles generally accepted in India as prescribed under Sec 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.		
3	The Reconciliation of net profit/(loss) reported in accordance with Indian GAAP to total Comprehensive Income in accordance with IND AS is given below		
	Particulars	Quarter ended 30th September 2016	Half year ended 30th September 2016
	Net Profit / (Loss) as per Indian GAAP	(1,994.60)	(4,209.29)
	<b>IND AS Adjustment:</b>		
	Depreciation adjustment	(97.05)	(194.10)
	Employee Benefit expense provided through OCI	(2.75)	(2.75)
	<b>Total Comprehensive Income/(Loss) for the period</b>	<b>(2,094.40)</b>	<b>(4,406.14)</b>



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4	The Statutory Auditors have carried out Limited Review of above financial results for the quarter/halfyear ended September 30,2017. The financial results for the quarter/halfyear ended September 30, 2016, and the reconciliation thereof, presented under the Ind AS format in the above statements have not been reviewed by the Auditors and are presented based on the information compiled by the management after making the necessary adjustments to give a true and fair view of the results in accordance with Ind AS.																																				
5	Pursuant the approval from the members through postal ballot for disposal of its undertakings, the Company has entered into a Business Transfer Agreement (BTA) on 28th November 2016 with M/s. Blue Craft Agro Private Limited (BAPL), for transfer of its operations of manufacturing and selling of starch and its derivatives along with its units " Unit 1 situated at NH-9, Nandi Kandi Village, Sadasivpet mandal, Medak Dist, Telengana and Unit 2 situated at Balabadrapuram Village, Biccavole Mandal, East Godavari Dist, Andhra Pradesh along with other current and non current assets and liabilities of the Company as stated in BTA on a "slump sale" basis subject fulfillment of certain conditions. Operations are carried out in the Company pending adherence to conditions stated in BTA. Profit or Loss on such transfer has not been accounted in the books of the Company since the transfer has not consummated as at the quarter ended September 30,2017. The revenues and expenses arising out of operations have been presented as 'discontinuing operations' considering decision by the members for disposal of business.																																				
6	Operations are carried in the company pending transfer of assets and liabilities in pursuance of BTA entered into with BAPL and hence entire revenue from operations represent revenue from Discontinued Operations (As per IND AS 105 –Non Currents Assets Held for Sale and Discontinued Operations issued by ICAI) of the Company. Disclosure related to discontinuing operations are provided here under:																																				
	<table border="1"> <thead> <tr> <th>Particulars</th> <th>30.09.2017</th> <th>30.06.2017</th> <th>30.09.2016</th> <th>30.09.2017</th> <th>30.09.2016</th> </tr> </thead> <tbody> <tr> <td>Revenue from discontinuing operations</td> <td>4,249.08</td> <td>2,788.06</td> <td>652.56</td> <td>7,017.14</td> <td>2,099.41</td> </tr> <tr> <td>Expenses from discontinuing operations</td> <td>5,260.54</td> <td>3,383.74</td> <td>2,746.96</td> <td>8,644.28</td> <td>6,505.55</td> </tr> <tr> <td>Profit before tax from discontinuing operations</td> <td>(1,011.46)</td> <td>(615.68)</td> <td>(2,094.40)</td> <td>(1,627.14)</td> <td>(4,406.14)</td> </tr> <tr> <td>Tax expense</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Profit after tax from discontinuing operations</td> <td>(1,011.46)</td> <td>(615.68)</td> <td>(2,094.40)</td> <td>(1,627.14)</td> <td>(4,406.14)</td> </tr> </tbody> </table>	Particulars	30.09.2017	30.06.2017	30.09.2016	30.09.2017	30.09.2016	Revenue from discontinuing operations	4,249.08	2,788.06	652.56	7,017.14	2,099.41	Expenses from discontinuing operations	5,260.54	3,383.74	2,746.96	8,644.28	6,505.55	Profit before tax from discontinuing operations	(1,011.46)	(615.68)	(2,094.40)	(1,627.14)	(4,406.14)	Tax expense	-	-	-	-	-	Profit after tax from discontinuing operations	(1,011.46)	(615.68)	(2,094.40)	(1,627.14)	(4,406.14)
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7	The accumulated losses amounting to Rs.17,860.31 Lakhs as at September 30, 2017 has eroded the entire network of the company.  The financial results 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 assistance including financial and operational pending finalisation and crystallisation of business plans and, pending transfer of assets and liabilities pursuant to BTA entered with BAPL.																																				
8	<b>Matter of Qualification in the Auditor's Report</b> The accumulated losses As at March 31,2017 amounted to Rs.16,230.41 Lakhs,which has completely eroded the network of the Company, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. <b>Management Response to Qualification in the Auditor's Report</b> The accounts have been prepared on a going concern basis based on Comfort letter received from Promoters for continued support to the company with all necessary assistance including financial and operational.																																				
9	The figures of earlier periods have been re-grouped, to be in conformity with current period's classification.																																				
Place	Hyderabad																																				
Date	13/12/2017																																				
	By order of the Board of Directors  Chairman																																				



Statement of Asset and Liabilities			
S.No.	Particulars	As at September 2017 (Unaudited)	As at March 31 2017 (audited)
	<b>Assets</b>		
1	<b>Non-Current Assets</b>		
	(a) Property, Plant and Equipment	-	-
	(b) Capital Work in Progress	-	-
	(c) Intangible assets under development	-	-
	(d) Financial assets		
	(i) Investments	0.15	0.15
	(ii) Other Financial Assets	-	-
	(e) Income Tax Assets	-	-
		<b>0.15</b>	<b>0.15</b>
2	<b>Current Assets</b>		
	(a) Inventories	-	-
	(b) Financial Assets		
	(i) Trade Receivables	151.07	150.95
	(ii) Cash and Cash equivalents	-	-
	(iii) Bank balances other than (ii) above	-	-
	(iv) Other Financial Assets	28.85	17.79
	<b>Sub-total- Non Current Liabilities</b>	<b>179.92</b>	<b>168.74</b>
3	<b>Other Current assets</b>		
	(a) Other Current assets	-	-
		-	-
4	<b>Assets Held for Sale</b>		
	(a) Assets held for sale	10,196.38	10,380.76
		<b>10,196.38</b>	<b>10,380.76</b>
	<b>Total Assets</b>	<b>10,376.45</b>	<b>10,549.65</b>
	<b>EQUITIES AND LIABILITIES</b>		
1	<b>Equity</b>		
	(a) Equity Share Capital	7,878.81	7,878.81
	(b) Other Equity	(17,550.99)	(15,921.09)
		<b>(9,672.17)</b>	<b>(8,042.28)</b>
	<b>LIABILITIES</b>		
1	<b>Non-Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	170.16	170.16
	(ii) Other Financial liabilities	-	-
	(b) Provisions	-	-
	(c) Deferred tax liabilities (net)	-	-
		<b>170.16</b>	<b>170.16</b>
2	<b>Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	3,340.35	3,340.35
	(ii) Trade Payables	89.05	312.91
	(iii) Other Financial Liabilities	-	-
	(b) Other Current liabilities	-	-
	(c) Provisions	-	-
	(d) Current tax liabilities	-	-
		<b>3,429.40</b>	<b>3,653.26</b>
3	<b>Liabilities held for sale</b>		
	<b>Liabilities held for sale</b>	<b>16,449.07</b>	<b>14,768.51</b>
	<b>Total Equity and Liabilities</b>	<b>10,376.45</b>	<b>10,549.65</b>



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**Independent Auditor's Report  
To The Board of Directors  
GAYATRI BIOORGANICS LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of GAYATRI BIOORGANICS LIMITED("the Company") for the quarter/half year ended September 30, 2017 ("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 modified from time to time. This statement which is the responsibility of the Company's management and has been approved by its Board of Directors has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting standard 34 "Interim Financial Reporting" (IND AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with the relevant Rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the 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 provides less assurance than an audit. We have not performed an audit and accordingly we do not express an audit opinion.
3. **Emphasis of Matter**  
Attention is invited to Note 5 to the Statement regarding non-accounting of profit /loss arising out transfer of assets and liabilities pursuant to Business Transfer Agreement (BTA) entered into with Blue Craft Agro Private Limited (BAPL) for the reasons stated in the said note. Our report is not qualified in respect of the said matter.
4. **Basis for Qualified Conclusion**  
*We draw attention to Note 7 to the Statement:*



*As at September 30, 2017 the accumulated losses amounted to Rs.17860.31 Lakhs, which has completely eroded the net worth 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.*

**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 4 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 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.*

6. We have not reviewed the financial results for the quarter/half year ended September 30, 2016, and the reconciliation thereof, presented under the Ind AS format in the Statement under report, which have been presented solely based on the financial information compiled by the Management.



Hyderabad, December 13, 2017

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

  
D. Bapu Raghavendra

Partner  
Membership No: 213274