

GAYATRI BIOORGANICS LIMITED

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

Part I : Statement of Audited Financial Results for the Year Ended 31 March 2017

Website: www.gayatribioorganics.com, CIN: L24110TG1991PLC013512

INR in Lakhs

Particulars	3 Months ended			12 Months ended	
	31-Mar-17 (Audited)	31-Dec-16 (UnAudited)	31-Mar-16 (Audited)	31-Mar-17 (Audited)	31-Mar-16 (Audited)
[1] Income from operations (Refer Note 5)					
a Revenue from operations (Net)	-	-	-	-	-
b Other Income	-	-	-	-	-
Total income from operations (Net)	-	-	-	-	-
[2] Expenses					
a Cost of materials consumed	-	-	-	-	-
b Cost of Traded goods	-	-	-	-	-
c Changes in inventories of finished goods and work-in-progress	-	-	-	-	-
d Employee benefits expense	-	-	-	-	-
e Finance costs	-	-	-	-	-
f Depreciation expenses	-	-	-	-	-
g Other expenses	-	-	-	-	-
Total expenses	-	-	-	-	-
[3] Profit/ (Loss) from operations before exceptional items (1-2)	-	-	-	-	-
[4] Exceptional items	-	-	-	-	-
[5] Profit/ (Loss) from continuing operations before tax (3+4)	-	-	-	-	-
[6] Tax expense from continuing operations (Current)	-	-	-	-	-
[7] Net Profit/ (Loss) from continuing operations after tax (5+6)	-	-	-	-	-
[8] Profit/ (Loss) from discontinuing operations (Refer Note 5)	(3,010.98)	(1,041.71)	(2,322.06)	(8,261.98)	(3,872.73)
[9] Tax expense related to discontinuing operations (Current)	-	-	-	-	-
[10] Net Profit/ (Loss) from discontinuing operations after tax	(3,010.98)	(1,041.71)	(2,322.06)	(8,261.98)	(3,872.73)
[11] Net Profit/(Loss) for the period (7+10)	(3,010.98)	(1,041.71)	(2,322.06)	(8,261.98)	(3,872.73)
[12] Paid-up equity share capital (face value of INR 10/- per share)	7,878.81	7,878.81	6,178.13	7,878.81	6,178.13
[13] Reserves excluding revaluation reserves as per balance sheet of previous accounting year	-	-	-	(15,921.09)	(7,958.44)
[14] Earnings per share before extraordinary items (of INR 10/- each) (not annualised)					
Basic and diluted EPS					
Continuing Operations	-	-	-	-	-
Discontinuing Operations	(3.82)	(1.32)	(3.76)	(10.49)	(6.27)
Earnings per share after extraordinary items (of INR 10/- each) (not annualised)					
Basic and diluted EPS					
Continuing Operations	-	-	-	-	-
Discontinuing Operations	(3.82)	(1.32)	(3.76)	(10.49)	(6.27)

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AUDITED STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED MARCH 2017
INR in Lakhs

Sr No	Particulars	Year ended Mar-17	Year ended Mar-16
A.	EQUITY AND LIABILITIES		
1)	Shareholders fund		
	Share Capital	7,878.81	8,178.13
	Reserve & Surplus	(15,921.09)	(7,958.44)
		(8,042.28)	219.70
2)	Non-Current Liabilities		
	Long Term Borrowings	170.16	1,363.11
	Long Term Provisions	0.00	141.27
		170.16	1,504.38
3)	Current Liabilities		
	Short-term borrowings	3,340.35	7,166.05
	Trade payables	312.91	2,955.35
	Other current liabilities	-	2,309.66
	Short-term provisions	-	15.10
		3,653.26	12,446.15
4)	Liabilities Held for Sale		
	Liabilities held for sale	14,768.51	-
	TOTAL	10,549.65	14,170.23
B.	ASSETS		
1)	Non-current assets		
	Fixed assets		
	Tangible assets	-	4,569.47
	Capital work-in-progress	-	601.16
	Non-current investments	0.15	0.15
	Long-term loans and advances	-	234.65
		0.15	5,405.43
2)	Current Assets		
	Inventories	-	3,669.46
	Trade receivables	150.95	4,362.87
	Cash and bank balances	-	196.41
	Short-term loan and advances	-	507.22
	Other current assets	17.79	28.84
		168.73	8,764.80
3)	Assets Held for Sale		
	Assets held for Sale	10,380.76	-
	TOTAL	10,549.65	14,170.23

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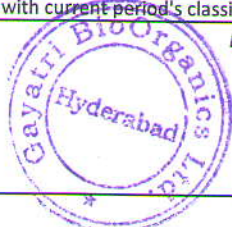
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NOTES

NOTES

1	The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings on May 18, 2017.																								
2	The entire operations of the company relate to only one segment namely "Maize Processing and its sales".																								
3	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. The Company has carried out operations pending adherence to conditions by both the parties. The Company has not accounted for profit or loss on such transfer since the transfer has not consummated as at the year end. The revenues and expenses arising out of operations have been presented as 'discontinuing operations' considering decision by the members for disposal of business.																								
4	As at March 31, 2017 the accumulated losses amounted to Rs.162,30,41,206/- which has completely eroded the network of the Company. Notwithstanding the above, the financial statements have been prepared on a going concern basis pending finalisation and crystallisation of business plans and further, 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.																								
5	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 Accounting Standard 24 –Discontinued Operations issued by ICAI) of the Company and the required disclosures are hereunder Disclosure related to discontinuing operations are provided hereunder: INR in Lakhs <table><tr><th>Particulars</th><th>Year Ended 31-03-2017</th><th>Year Ended 31-03-2016 (Refer Note 8)</th></tr><tr><td>Revenue (Net of Excise)</td><td>7,969.33</td><td>13,815.40</td></tr><tr><td>Operating Expenses</td><td>16,231.30</td><td>17,688.13</td></tr><tr><td>Profit before tax from discontinuing operations</td><td>(8,261.98)</td><td>(3,872.72)</td></tr><tr><td>Income Tax Expense</td><td>-</td><td>-</td></tr><tr><td>Profit after tax from discontinuing operations</td><td>(8,261.98)</td><td>(3,872.72)</td></tr><tr><td>Total assets related to discontinuing operations</td><td>10,380.76</td><td>-</td></tr><tr><td>Total liabilities related to discontinuing operations</td><td>14,768.51</td><td>-</td></tr></table>	Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016 (Refer Note 8)	Revenue (Net of Excise)	7,969.33	13,815.40	Operating Expenses	16,231.30	17,688.13	Profit before tax from discontinuing operations	(8,261.98)	(3,872.72)	Income Tax Expense	-	-	Profit after tax from discontinuing operations	(8,261.98)	(3,872.72)	Total assets related to discontinuing operations	10,380.76	-	Total liabilities related to discontinuing operations	14,768.51	-
Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016 (Refer Note 8)																							
Revenue (Net of Excise)	7,969.33	13,815.40																							
Operating Expenses	16,231.30	17,688.13																							
Profit before tax from discontinuing operations	(8,261.98)	(3,872.72)																							
Income Tax Expense	-	-																							
Profit after tax from discontinuing operations	(8,261.98)	(3,872.72)																							
Total assets related to discontinuing operations	10,380.76	-																							
Total liabilities related to discontinuing operations	14,768.51	-																							
6	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, 1,838,135 Preference shares of Rs.100 each were converted into 18,381,350 Equity Shares of Rs.10 each issued at par, based on the option for conversion exercised by Preference Shareholders. During the year, based on the approval of the Members in the Annual General Meeting held on 26th September 2016, Preference shareholders holding the Balance 2,000,000 Preference Shares of Rs.100 have exercised the option for conversion to equity shares, the same were converted into 17,006,802 equity shares of Rs.10/- issued at a premium of Rs.1.76/- per share.																								
7	Matter of Qualification in the Auditor's Report a) 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. b) the accumulated losses amounted to Rs.162,30,41,206/-, 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. Management Response to Qualification in the Auditor's Report a) The Management considering that some the balances are outstanding for more than 3 years, have written off Rs. 2,29,97,579/- during the quarter ended June 30, 2016 and further written off Rs.2,12,90,162 /-during the quarter ended December 31, 2016. Necessary provision towards the balance has been made in the accounts towards the overdue outstanding balances as on March 31, 2017. 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 assistances including financial and operational.																								
8	The figures of earlier periods have been re-grouped, to be in conformity with current period's classification.																								
Place Date	Hyderabad 18-May-17 By order of the Board of Directors T Sanjeev Kumar Reddy Chairman Gayatri BioOrganics Hyderabad																								



By order of the Board of Directors

 T Sandeep Kumar Reddy
Chairman

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

1. We have audited the accompanying Statement of Financial Results of GAYATRI BIOORGANICS LIMITED ("the Company") for the quarter ended March 31, 2017, the year to date results for year ended on that date, ("the statement"), attached hereto being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This statement and the Financial Statements which form the basis for this Statement are the responsibility of the Company's management and have been approved by its Board of Directors, have been prepared in accordance with the Accounting standards prescribed under Section 133 of the Companies Act, 2013 read with the relevant Rules there under, as applicable, and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Financial Statements, based on our audit thereof.
2. We conducted our audit in accordance with the Standards on Auditing issued by Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance as to whether the Statement is free from material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that the evidence obtained in the course of our audit provides a reasonable basis for our opinion.

3. Emphasis of Matter

Attention is invited to Note 3 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 opinion is not qualified in respect of the said matter.

4. Basis for Qualified Opinion

We draw attention to Note 4 to the Statement:

As at March 31, 2017 the accumulated losses amounted to Rs. Rs.162,30,41,206/-, 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.

5. Qualified Opinion

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 Opinion), the said Statement:



- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India, of the net loss and other financial information of the Company for the year ended March 31, 2017.

Hyderabad, May 18 , 2017



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


D. Bapu Raghavendra

Partner

Membership No: 213274

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results – (Standalone and Consolidated separately)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017 [See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
	Sl. No.	Particulars	Audited Figures in Rs (as reported before adjusting for qualifications)	Adjusted Figures in Rs (audited figures after adjusting for qualifications)
I.	1	Turnover / Total Income@	80,02,38,694	80,02,38,694
	2	Total Expenditure@	1,62,64,36,344	1,62,64,36,344
	3	Net Profit / (Loss)@	82,61,97,650	82,61,97,650
	4	Earnings Per Share	(10.49)	(10.49)
	5	Total Assets\$	1,05,49,64,538	1,05,49,64,538
	6	Total Liabilities*	1,05,49,64,538	1,05,49,64,538
	7	Net Worth	(80,42,27,805)	(80,42,27,805)
	8	Any Other financial item(s) (as felt appropriate by the management)	-	-
@ Represents Discontinued operations \$ Includes assets held for sale due to Discontinued operations Rs.1,03,80,75,992/- * Includes liabilities held for sale due to Discontinued operations Rs.1,47,68,50,537/-				
II. Audit Qualification (each audit qualification separately)				
a. Details of Audit Qualification: <i>As at March 31, 2017 the accumulated losses amounting to Rs.162,30,41,206/-has completely eroded the networth of the company. Notwithstanding the above, the financial statements have been prepared on a going concern basis pending finalisation and crystallisation of business plans. Indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern.</i>				
b. Type of Audit Qualification: Qualified Opinion/ Disclaimer of Opinion/ Adverse Opinion				
c. Frequency of Qualification: Whether appeared first time / repetitive				
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: ---				
e. For Audit Qualification(s) where the impact is not quantified by the auditor:				
(i) Management's estimation on the Impact of audit qualification 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 assistances including financial and operational.				
(ii) If management is unable to estimate the impact, reasons for the same :				
(iii) Auditors' Comments on (i) or (ii) above: <i>Indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern.</i>				
III.	Signatories:			
	• CEO/ Managing Director			
	• Whole Time Director			C.V. Ramyada
	• Audit Committee Chairman			J. Raju
	• Statutory Auditor			D. B. Afande
	Place: Hyderabad			
Date: 18.05.2017				

