

MINUTES BOOK

GAYATRI SUGARS LIMITED

MINUTES OF THE SIXTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY HELD AT SURANA UDYOG HALL, FEDERATION HOUSE, DOOR NO.11-6-841, RED HILLS, HYDERABAD-500 004, ON WEDNESDAY THE 10TH DAY OF AUGUST, 2011 AT 4.00 P.M.

Present

- | | |
|------------------------|----------------------|
| 1. Sri. TR Rajagopalan | - Director |
| 2. Sri. P Maruthi Babu | - Director |
| 3. Sri. S Venkataswamy | - Director |
| 4. Smt. T Sarita Reddy | - Executive Director |
| 5. Members in person | 202 |
| 6. Members in proxy | 55 |

Sri. TR Rajagopalan, was elected as the Chairman of the Meeting. He occupied the chair and conducted the proceedings.

The Chairman welcomed the shareholders to the Sixteenth Annual General Meeting of the company. As the requisite quorum was present for the meeting, he called the meeting to order, declared open the Register of Directors Shareholdings and with the permission of the shareholders the notice convening the sixteenth Annual General Meeting was taken as read. After delivering the Chairman's speech, the Auditors Report was read. After the Company Secretarial consultant read the Auditors Report, the Chairman invited the queries from the Shareholders and after they were answered, the business given in the notice of the Annual General Meeting was taken up item wise.

The following business was taken up.

ORDINARY BUSINESS:

1. ADOPTION OF ANNUAL ACCOUNTS

Proposed by : Sri.M A R Sufi Folio No. : 00068367

Seconded by : Sri. N Yadagiri Folio No. : 00100100

"RESOLVED THAT Audited Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ended 31st March, 2011 and the Directors Report and

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Auditors Report thereon be and are hereby approved and the same are hereby received and adopted”.

After it was put to vote by show of hands, the Resolution was passed by requisite majority.

2. RE-APPOINTMENT OF SMT. T INDIRA SUBBARAMI REDDY, AS DIRECTOR.

Proposed by : Sri. L Srinivasu Folio No. : 10026472

Seconded by : Sri. K Subba Rao Folio No. : 10292387

“RESOLVED THAT **Smt. T Indira Subbarami Reddy**, Director of the Company be and is hereby re appointed as Director of the company liable to retire by rotation”.

After it was put to vote by show of hands, the Resolution was passed by requisite majority.

3. RE-APPOINTMENT OF SRI. TV SANDEEP KUMAR REDDY, AS DIRECTOR.

Proposed by : Sri. P Sudha Rani Folio No. : 10958162

Seconded by : Sri. Ramani Shivakumar Folio No. : 10014732

“RESOLVED THAT **Sri. TV Sandeep Kumar Reddy**, Director of the Company be and is hereby re appointed as Director of the company liable to retire by rotation”.

After it was put to vote by show of hands, the Resolution was passed by requisite majority.

4. APPOINTMENT OF AUDITORS.

Proposed by : Sri. K Subba Rao Folio No. : 30033787

Seconded by : Sri. L Srinivasu Folio No. : 10026472

“RESOLVED THAT M/s. Deloitte Haskins & Sells, Chartered Accountants, Secunderabad be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration as may be mutually agreed to between the Board of Directors and the Auditors”.

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After it was put to vote by show of hands, the Resolution was passed by requisite majority.

SPECIAL BUSINESS

5. APPROVAL FOR PAYMENT OF REMUNERATION OF SMT. T SARITA REDDY, EXECUTIVE DIRECTOR

Proposed by : Sri. Ramesh Shankar Golla Folio No. : 00101508

Seconded by : Sri. V Sitaram Folio No. : 12224307

“RESOLVED THAT approval of the Shareholders accorded at their meeting held on 31st July 2010, in terms of the provisions of sections 198, 269 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, based on the recommendations made by the Remuneration Committee, Audit committee and Board of Directors for payment of the remuneration to Smt.T Sarita Reddy as Executive Director of the company for the period from 01.05.2010 to 30.04.2013 be and is hereby further noted and ratified *for seeking the approval of the Central Government* as per the following terms and conditions.

1. Salary

The monthly remuneration payable shall be Rs.2,25,000/- (Rupees Two Lakhs Twenty Five Thousands only) per month.

2. Perquisites

i) Housing:

If required, free furnished residential accommodation with all facilities and amenities including Gas, Electricity, Water, Furniture/Fittings etc, the monetary value of which may be evaluated as per Rule 3 of the Income Tax Rules, 1962. The expenditure incurred by the Company on Gas, Electricity, Water and Furnishings shall be subject to a ceiling of 10% of the Salary. In case where the Company does not provide accommodation, House Rent Allowance shall be paid at the rate of 25% of the Salary.

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ii) Medical Reimbursement:

Expenses incurred for herself and her family subject to a ceiling of one month's salary in a year or 3 months salary over a period of 3 years.

iii) Leave Travel Concession:

One month salary per year for herself and her family.

iv) Club Fees:

Subject to a maximum of two clubs, This will not include admission and Life membership Fees.

v) Personal Accident Insurance:

Premium not to exceed Rs.4,000/- per annum.

vi) Provident Fund:

Company's contribution towards Provident Fund at 12% of her salary or at any rate applicable from time to time.

vii) Gratuity:

Gratuity not exceeding half a month's salary for each completed year of service.

viii) Leave:

Entitled to one month's leave, as per the rules of the Company on full pay, for every 11 months of service.

Encashment of leave at the end of the tenure will not be included in computation of the ceiling on perquisites.

ix) Telephone:

Free telephone facility at the residence for the use of the Company's business.

x) Car:

Use of Company's Car on Company's business with Driver and all expenses on maintenance, repairs and cost of petrol.

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(Provision of Car for use of Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Executive Director)

- xi) Any other perquisites that may be allowed as per the guidelines issued by the Central Government from time to time.

“RESOLVED FURTHER that in the event of loss or inadequacy of profit in any financial year of the Company during the term of her office as Executive Director, the remuneration and perquisites set out above be paid or granted to Smt. T Sarita Reddy as minimum remuneration stipulated in Section II of part II of Schedule XIII of the said Act or such other amount and perquisites as may be provided in the said Scheduled XIII as may be amended from time to time or any equivalent statutory re-enactment(s) thereof”.

“RESOLVED FURTHER that the Board of Directors be and is hereby authorised to alter, vary such salary, commission and perquisites as may be permitted by any applicable law from time to time during the said period of office and as may be agreed to by the Board of Directors of the Company and Smt. T. Sarita Reddy”.

“FURTHER RESOLVED that Smt. T Sarita Reddy, Executive Director be and is hereby further authorised to make an application to Central Government for / ratification/ approval of the above said terms and conditions of appointment”.

After it was put to vote by show of hands, the Resolution was passed by requisite majority.

6. CONTRIBUTION TO SPECIFIC CHARITABLE AND OTHER FUNDS- EX POST FACTO APPROVAL GIVEN TO DIRECTORS

Proposed by : Sri. Krishna Gopal Gupta Folio No. : 10080280

Seconded by : Smt. V Sitaram Folio No. : 12224307

“RESOLVED that pursuant to section 293(1)(e) of the Companies Act, 1956, the aggregate contribution of the sum of Rs.6,00,000/- made by the Board of Directors of the Company to the charitable institution ‘TSR Foundation’ be and the same is hereby confirmed, approved and ratified”.

After it was put to vote, the Resolution was passed unanimously.

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7. AUTHORITY TO DIRECTORS TO CONTRIBUTE TO CHARITABLE AND OTHER FUNDS

Proposed by : Smt.Jayshree Jain Folio No.: 00015495

Seconded by : Smt.P Sudha Rani. Folio No. : 10958162

“RESOLVED that in accordance with the provisions of section 293(1)(c) and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby authorizes the Board of Directors of the Company to contribute and subscribe on behalf of the Company to charitable institution ‘TSR Foundation’ and other funds not directly relating to the business of the Company or the welfare of its employees, any amount the aggregate of which will in any financial year exceed Rs. 50,000 or 5% of the Company’s average net profits as determined in accordance with the provisions of sections 349 and 350 of the said Act, during the three financial years immediately preceding subject to the maximum of Rs. 10,00,000 or 5% of the Company’s average net profits determined as aforesaid, whichever is greater”.

After it was put to vote, the Resolution was passed unanimously.

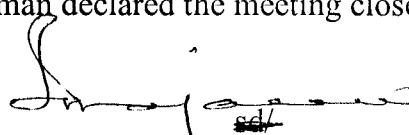
After the business given in the notice was transacted Sri.TR Rajagopalan, Chairman, has requested Smt. T Sarita Reddy, Executive Director to deliver vote of thanks.

Smt. T Sarita Reddy, Executive Director conveyed vote of thanks.

There being no other business to transact, the Chairman declared the meeting closed.

Place : Hyderabad

Date : 16th August 2011


CHAIRMAN

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