



GAYATRI SUGARS LIMITED

**TWENTY FIRST ANNUAL REPORT
2015-16**



21st Annual General Meeting

Day : Monday

Date : 26th September, 2016

TIME : 3.00 P.M.

Venue : FTAPCCI Auditorium
The Federation of Telangana and
Andhra Pradesh Chambers of
Commerce and Industry,
Federation House,
11-6-841, Red Hills, P.B. 14,
Hyderabad – 500 004.

TWENTY FIRST ANNUAL REPORT 2015-16

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mrs. T Indira Subbarami Reddy

Mr. T V Sandeep Kumar Reddy

Ms. T Sarita Reddy

Mr. S Venkata Swamy

Mr. T R Rajagopalan

Mr. J N Karamchetti

Chairperson/Director (DIN: 00009906)

Vice Chairman/Director (DIN: 00005573)

Managing Director (DIN: 00017122)
(Designation has been changed from
E.D to M.D w.e.f. 29.8.2016)

Director (DIN: 00020620)

Director (DIN: 00020643)

Director (DIN: 00940963)

CHIEF FINANCIAL OFFICER

Mr. V.R. Prasad

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Munmun Baid

BANKERS

Andhra Bank

Union Bank of India

Bank of Baroda

State Bank of India

Punjab National Bank

REGISTERED OFFICE

B2, 2nd Floor, 6-3-1090, TSR Towers,
Rajbhavan Road, Somajiguda,
Hyderabad - 500 082.

Phone Nos: 040-23414823/24/25/26

Fax No: 040-23414827

Email: gayatrisugars@gmail.com

REGISTRAR & SHARE TRANSFER AGENTS

M/s. Venture Capital and Corporate
Investments Private Limited

H.No. 12-10-167, Bharat Nagar,
Hyderabad – 500018.

Ph: 040-23818475, 23818476

CORPORATE IDENTITY NUMBER

L15421TG1995PLC020720

AUDITORS

M/s Deloitte Haskins & Sells
Chartered Accountants
Secunderabad

FACTORIES

Kamareddy Unit

Adloor Yellareddy Village,
Sadasivanagar Mandal,
Nizamabad District,
Telangana.

Phone No: (08468) 203331

COST AUDITORS:

M/s Narasimha Murthy & Co
Cost Accountants,
Hyderabad

Nizamsagar Unit

Maagi Village,
Nizamsagar Mandal,
Nizamabad District,
Telangana.

Phone No: (08465) 275577

Fax No: (08465) 275800

NOTICE

NOTICE is hereby given that the 21st ANNUAL GENERAL MEETING of the Shareholders of M/s. Gayatri Sugars Limited will be held on Monday, the 26th day of September, 2016 at 3:00 P.M. at FTAPCCI Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, Red Hills, P.B. 14, Hyderabad-500 004, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2016, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Mrs. T. Indira Subbarami Reddy [DIN: 00009906] who retires by rotation and being eligible, offers herself for re-appointment.

3. TO APPOINT AUDITORS AND FIX THEIR REMUNERATION

To consider and if thought fit, to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No. 008072S), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of next AGM of the Company at such remuneration plus service tax, out-of pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS:

4. ORDINARY RESOLUTION FOR RATIFICATION OF REMUNERATION PAYABLE TO M/S. NARASIMHA MURTHY & CO., APPOINTED AS COST AUDITORS OF THE COMPANY FOR THE F.Y 2016-17.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Narasimha Murthy & Co., Cost Accountants appointed as Cost Auditors by the Board of Directors of the Company to audit the cost records of Sugar, Power and Distillery divisions of the Company for the financial year 2016-17, for a remuneration of ₹ 1,50,000 (Rupees One Lakh Fifty Thousand) per annum plus applicable service tax and out of pocket expenses that may be incurred, be and is hereby ratified."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. CONSIDERING THE APPOINTMENT OF MS. T. SARITA REDDY AS THE MANAGING DIRECTOR.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **SPECIAL RESOLUTION**:

“RESOLVED THAT subject to the provisions of sections 196, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Rules framed thereunder and based on the recommendations made by the Remuneration Committee and Board of Directors and subject to the approval of the Central Government, consent of the members be and is hereby accorded for appointment of Ms. T. Sarita Reddy as Managing Director of the Company for a period of 3 years and that the said Managing Director shall have, subject to the supervision, control and directions of the Board, the management of all the affairs of the Company and shall exercise all powers and perform all duties in relation to the management and transactions of the Company and also such of their powers and duties the Board may from time to time delegate to the Managing Director subject to such limitations and conditions as they deem fit”.

“FURTHER RESOLVED THAT Ms. T. Sarita Reddy is not subject to retirement by rotation during the tenure of her office as Managing Director and her appointment is on such salary and perquisites as set out hereunder:

i. Period of Appointment

The appointment is for a period of 3 years commencing from 1st May 2016.

ii. Salary

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

iii. Perquisites

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.

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.

Leave Travel Concession:

One month salary per year for herself and her family.

Club Fees:

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

Personal Accident Insurance:

Premium not to exceed ₹10,000/- per annum.

Provident Fund:

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

Gratuity:

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

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.

Telephone:

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

Car:

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

(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 Managing Director)

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 Managing Director, the remuneration and perquisites set out above be paid or granted to Ms. T Sarita Reddy as minimum remuneration stipulated in Section II of part II of Schedule V of the said Act or such other amount and perquisites as may be provided in the said Schedule V 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 are 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 Ms. T. Sarita Reddy".

"RESOLVED FURTHER that any Director or Company Secretary be and are hereby further authorised to make an application to Central Government for approval of the above said terms and conditions of appointment."

6. SERVICE OF DOCUMENTS:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to provisions of Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules prescribed thereunder, the consent of the Company be and is hereby accorded to charge from a member in advance, a sum equivalent to the estimated actual expenses of delivery of the documents through a particular mode if any request has been made by such member for delivery of such document to him through such mode of service provided such request along with the requisite fee has been

duly received by the Company at least 15 days in advance or any prescribed statutory period for the dispatch of the document by the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By order of the Board
For **Gayatri Sugars Limited**

Place : Hyderabad
Date : 29th August, 2016

(Munmun Baid)
Company Secretary & Compliance Officer

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective shall be deposited at the Registered Office of the Company by not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution / authority as applicable, issued on behalf of the nominating organization.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.

2. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 2016 to 26th September, 2016 (Both days inclusive).
4. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
5. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
6. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
7. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
8. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore,

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requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents (M/s. Venture Capital and Corporate Investments Private Limited).

9. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
10. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to **M/s. Venture Capital And Corporate Investments Private Limited**, Share Transfer Agents of the Company for their doing the needful.
11. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
12. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the Company and correspond with them directly regarding share transfer/transmission /transposition, Demat/Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
13. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the Company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
14. Electronic copy of the Annual Report for 2015-2016 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2015-2016 is being sent in the permitted mode.
15. Members may also note that the Notice of the 21st Annual General Meeting and the Annual Report for 2015-2016 will also be available on the Company's website www.gayatrisugars.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: csmunmun@gayatri.co.in, compliance.gayatrisugars@gayatri.co.in.
16. Voting through electronic means
In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 21st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services provided by M/s. Central Depository Services Limited (CDSL).
The instructions for e-voting are as under:
(A) In case of members receiving e-mail
(I) Instructions for e-voting
 - (i) Log on to the e-voting website www.evotingindia.com during the voting period.
 - (ii) Click on "Shareholders" tab.

- (iii) Now, select the “Gayatri Sugars Limited” from the drop down menu and click on “SUBMIT”
- (iv) Now enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used. If you are a first time user follow the steps given below.
- (vi) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Physical Form	For Members holding shares in Demat Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	

*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of your name and the Folio Number in the PAN field. Eg. If your name is Ramesh Kumar with Foilo Number 1 then enter RA00000001 in the PAN field.

Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on on Gayatri Sugars Limited on which you choose to vote.
- (xi) On the voting page, you will see Resolution Description and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.

- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

(B) In case of members receiving the Physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the Company/Depository Participant(s) or requesting physical copy]:

- (i) Please follow all steps from sl. no. (i) to sl. no. (xvii) above, to cast vote.

(C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

The e-voting period commences on 23rd September, 2016 (09:00 A.M.) and ends on 25th September, 2016 (05:00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 19 September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 19th September, 2016.

Mr. Y. Koteswara Rao, Practicing Company Secretary (Membership No. 3785) and has been appointed as the Scrutinizer to scrutinize the e-voting and ballot process in a fair and transparent manner.

The Scrutinizer, after scrutinising the votes cast at the meeting through poll and through e-voting will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairperson. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.gayatrisugars.com and on the website of www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges.

18. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours 9:00 a.m. to 5:00 p.m. on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.