



GAYATRI SUGARS LIMITED

**TWENTY THIRD ANNUAL REPORT
2017-18**



23rd Annual General Meeting

Day : Wednesday

Date : 19th September, 2018

TIME : 10.30 A.M.

Venue : FTAPCCI SURANA 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 THIRD ANNUAL REPORT 2017-18

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mrs. T. Indira Subbarami Reddy

Mr. T.V. Sandeep Kumar Reddy

Mrs. T. Sarita Reddy

Mr. T.R. Rajagopalan

Mr. J.N. Karamchetti

Mr. Raghuraj Suresh Bhalerao

Chairperson/Director (DIN: 00009906)

Vice Chairman/Director (DIN: 00005573)

Managing Director (DIN: 00017122)

Director (DIN: 00020643)

Director (DIN: 00940963)

Director (DIN: 07652493)

CHIEF FINANCIAL OFFICER

Mr. V.R. Prasad

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Chetan Kumar Sharma

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

CORPORATE IDENTITY NUMBER

L15421TG1995PLC020720

AUDITORS

M O S & Associates LLP
Chartered Accountants
Somajiguda, Hyderabad

COST AUDITORS:

M/s Narasimha Murthy & Co
Cost Accountants,
Hyderabad

BANKERS

Andhra Bank
Union Bank of India
Bank of Baroda
State Bank of India
Punjab National Bank

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

FACTORIES

Kamareddy Unit

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

Nizamsagar Unit

Maagi Village,
Nizamsagar Mandal,
Nizamabad District,
Telangana State

NOTICE

NOTICE is hereby given that the **23rd ANNUAL GENERAL MEETING** of the Shareholders of Gayatri Sugars Limited will be held on Wednesday, the 19th day of September, 2018 at 10:30 A.M. at FTAPCCI Surana 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, 2018, 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.

SPECIAL BUSINESS:

3. **To re-appoint Mrs. T. Sarita Reddy as Managing Director and in this regard, to pass, the following resolution as Special Resolution:**

"RESOLVED THAT subject to the provisions of sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Rules framed there under, as amended from time to time and such other applicable rules & regulations and subject to such other approvals as may be required, if any, consent of the of the members be and is hereby accorded to re-appoint Mrs. T. Sarita Reddy as Managing Director of the Company for a period of 3 (three) years, on expiry of her present term of office, i.e. w.e.f May 01, 2019, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mrs. T. Sarita Reddy, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification or re-enactment thereof; and that the said Managing Director shall have, subject to the supervision, control and directions of the Board, the powers to manage 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, further the Board may from time to time delegate to the Managing Director such of their powers and duties and subject to such limitations and conditions as they deem fit.

FURTHER RESOLVED THAT Mrs. 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 May 01, 2019.
- ii. Salary, House Rent Allowance and Other Allowances per month:

Particulars	Amount
1. Basic Salary	2,25,000
2. House Rent Allowance	56,250
3. Other Allowances	2,18,750

Housing:

If required by Mrs. T. Sarita Reddy, free furnished residential accommodation with all facilities and amenities including Gas, Electricity, Water, Furniture/Fittings etc. shall be provided, the monetary value of which shall 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 the Company provides accommodation, House Rent Allowance shall not be paid.

iii. Perquisites

Apart from the above, the Managing Director is eligible the following perquisites

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 shall not include admission and Life membership Fees.

Personal Accident Insurance:

Premium to be paid by Company, subject to, not exceeding Rs. 10,000/- per annum.

Provident Fund:

Company's contribution towards Provident Fund at 12% of her basic 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 rendered.

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

Telephone, Electricity and Water charges for residence:

Free telephone facility at the residence for the use of the Company's business and Free Electricity and Water charges for residence.

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 and allowances that may be allowed by the Company in consultation with Nomination and Remuneration Committee 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 Mrs. 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.

FURTHER RESOLVED THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the resolutions passed at this general meeting, for and on behalf of the Company, and to do all such other acts, deeds, matters and things in connection or incidental thereto as in their absolute discretion may deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution including but not limited 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 Mrs. T. Sarita Reddy."

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 2018-19.

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, including any amendment, modification or variation thereof, 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 2018-19, for a remuneration of Rs. 2,00,000 (Rupees Two Lakhs) per annum plus applicable taxes 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. To make loan(s) and to give guarantee(s), provide security (ies) or make investment(s) in excess of the prescribed limit under section 186 of the Companies Act, 2013

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

“RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 read with rules framed thereunder and other applicable provisions, if any (including any amendment thereto or re-enactment thereof) consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called the Board which term shall be deemed to include the Management Committee which the Board has constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) to give any loans/or any other form of debt to any other person or other body corporate(s) and/or to give guarantee and/or to provide security in connection with a loan/ or any other form of debt to any other person or other body corporate(s) or person(s) and/or to make investments upto a maximum amount of Rs.150 Crores (Rupees One Hundred and Fifty Crores) outstanding at any point of time notwithstanding that the aggregate amount of all loans/ guarantees/security/ investments so far made together with proposed loans/ guarantees/security/investments to be made, exceeds the limits prescribed under section 186 of the Act.

RESOLVED FURTHER THAT the Board or any other person authorized by the Board (hereinafter called the Board which term shall be deemed to include the Management Committee which the Board has constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) be and is hereby authorised to take from time to time all decisions and steps in respect of the above guarantees, security provided including the timings, amount and other terms and conditions of such loan(s), guarantee(s), security(ies) and investments and varying the same either in part or in full as it may deem appropriate to do and perform all such acts, deeds, matters and things as may be necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard including power to sub-delegate in order to give effect to the aforesaid resolution.”

By order of the Board
For Gayatri Sugars Limited

(Chetan Kumar Sharma)

Company Secretary & Compliance Officer

Place : Hyderabad

Date : 13.08.2018

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.

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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 Wednesday, September 12, 2018 to Wednesday, September 19, 2018 (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, 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 **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 2017-2018 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 2017-2018 is being sent in the permitted mode.
15. Members may also note that the Notice of the 23rd Annual General Meeting and the Annual Report for 2017-2018 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: cs.gsl@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 23rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services provided by 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:

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	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 Folio 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 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.