

PROCEEDINGS OF THE 25th GENERAL MEETING OF GAYATRI BIOORGANICS LIMITED HELD ON WEDNESDAY, 28TH SEPTEMBER, 2016 AT 4.30 A. M AT "KLN PRASAD AUDITORIUM", THE FEDERATION OF TELANGANA AND ANDHRA PRADESH CHAMBERS OF COMMERCE AND INDUSTRY (FTAPCCI), FEDERATION HOUSE, 11-6-841, Red HILLS, HYDERABAD – 500 004

CHAIRMAN : Sri. T. Sandeep Kumar Reddy

MEMBERS PRESENT:

In person : 41
In proxy : 0

DIRECTORS PRESENT:

Sri. T. Sandeep Kumar Reddy, Chairman

Sri. C. V. Rayudu, Whole-Time Director

QUORUM (required) : 30

Having requisite Quorum being present, Chairman called the Meeting to order.

CHAIRMAN'S SPEECH:

The Chairman gave an overview on the financial performance of the Company for the financial year ended 31st March, 2016 and its future outlook. The printed copy of the Chairman's Statement was also distributed to the Members attending the Meeting.

NOTICE:

The Notice dated 29th August, 2016, convening the 25th Annual General Meeting of the Company, Board's Report and the Annual Accounts were taken as read with the consent of the Members present.

AUDITORS' REPORT:

The Auditors' Report on the financials of the Company for the year ended 31st March, 2016 was taken as read with the consent of the Members present.

At that juncture, the Chairman invited the Members present to address their queries to the management. Thereafter, the queries of the Members were answered by the Chairman and the management.

The Chairman informed the Members that pursuant to the provisions of Sec.108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended time to time, the Company has extended e-Voting facility to the Members of the Company in respect of businesses to be transacted at the Annual General Meeting of the Company. The e-Voting commenced at 10:00 a.m on Sunday, 25th September, 2016 and ended at 5:00 p.m.

Regd. & Corp. Office :

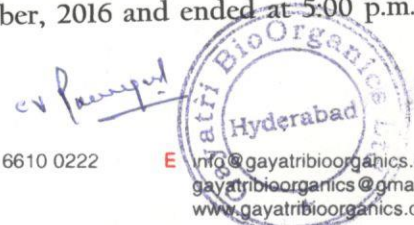
Gayatri Bio Organics Limited, B3, 3rd Floor, 6-3-1090, TSR Towers,
Raj Bhavan Road, Somajiguda, Hyderabad 500 082. Telangana

CIN NO : L24110TG1991PLC013512

T +91 40 6610 0111 / 6610 0222

F +91 40 6610 0333

E info@gayatribioorganics.com
gayatribioorganics@gmail.com
www.gayatribioorganics.com



Tuesday, 27th September, 2016. Mr. Harinath Punna, Practicing Company Secretary was appointed as the Scrutinizer by the Board for scrutinizing the e-Voting process.

The Chairman informed the Members that the Company had arranged for Poll to be taken on all the resolutions to be passed at the Meeting. The Chairman suo motto has ordered Poll to be taken on all the resolutions to be passed at the Meeting. The Chairman appointed Mr. Harinath Punna, Practicing Company Secretary as the Scrutinizer for the Poll.

The Chairman informed the Members that the combined results of e-Voting and Poll shall be posted on the Company's website and also shall be notified to the BSE Limited within 48 Hours of conclusion of the AGM.

The Chairman requested the Members and Proxies present to cast their vote at the end of the Meeting on the Ballot Paper which had been distributed to them. The Chairman informed the Members present that Members who had exercised their vote through e-Voting Process were not eligible to vote on poll and any such votes would not be considered for the purpose of Poll.

The resolutions proposed to be passed by the Members, briefly related to:

Item No. 1:

Ordinary Resolution to consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2016 together with the reports of the Board of Directors and the Auditors thereon was put to vote by Poll for passing the following resolution:

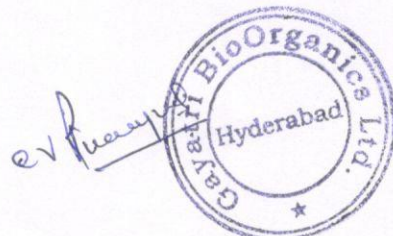
"RESOLVED THAT the Balance Sheet as on 31st March, 2016 together with the Statement of Profit and Loss for the year ended as on that date together with notes appended thereto along with the report of the Board' and Auditors of the Company be and is hereby considered, adopted and approved."

Since the Chairman of the meeting interested in the following matter he i.e Mr.T. Sandeep Kumar Reddy requested the board to take over the chair. As per the request of the Mr. Sandeep Reddy T , Mr. C.V.Rayudu took the chair and conducted the meeting (According to Secretarial Standard)

Item No.2:

Ordinary Resolution to appoint a Director in place of Sri. T. Sandeep Kumar Reddy (DIN: 00005573), who retires by rotation and being eligible, offers himself for re-appointment was put to vote by Poll for passing the following resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions, if any, contained under the Companies Act, 2013 Sri. T. Sandeep Kumar Reddy (DIN: 00005573) be and is hereby appointed as a Director of the Company whose period of office is liable to retirement by rotation."



After putting the above resolution to members of the Company, Mr. C.V.Rayudu requested Mr.T. Sandeep Kumar Reddy to take over the chair and he accepted it and continued the meeting.

(According to Secretarial Standard)

Item No.3:

Ordinary Resolution to ratify the Appointment of M/s. M. Bhaskara Rao & Co, Chartered Accountants (Firm registration No. 000459S) as the Statutory Auditors of the Company and fixing their remuneration was put to vote by Poll for passing the following resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 141 and 142 of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014 and all other applicable provisions, if any of the Companies Act, 2013, Consent of the members of the Company be and is hereby accorded to ratify the appointment of M/s M Bhaskara Rao & Co., Chartered Accountants, with Firm Registration No.000459S, as statutory auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting i.e. 26th AGM and the Board of Directors are hereby authorized to fix their remuneration, in accordance with the recommendation of the Audit Committee.

Item No.4:

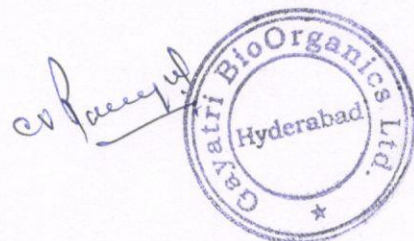
Ordinary Resolution to approve the remuneration payable to the cost auditors of the Company for the Financial Year 2016-17 was put to vote by Poll for passing the following resolution:

“RESOLVED THAT pursuant to the provisions of Sec. 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the consent of the members of the Company, be and is here by accorded to pay a remuneration of Rs. 60,000 per annum plus out of pocket expenses to M/s N.S.V.Krishna Rao & Co, the Cost Auditor of the Company for conducting the Audit of the cost records of the Company for the financial year 2016-17.”

Item No.5:

Special Resolution to consider and approve the Alteration of Memorandum of Association of the company was put to vote by Poll for passing the following resolution:

“RESOLVED THAT pursuant to the provisions of Sections 13 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and subject to such approvals, consents, permissions and sanctions, if any, required from any authority, the Authorized Share Capital of the Company be amended by reclassifying the existing Authorised Share Capital of Rs. 90,00,00,000 (Rupees Ninety Crore) divided into 7,00,00,000 (Seven Crores) Equity Shares of Rs. 10/- each (Rupees Ten only) and 20,00,000 (Twenty Lakhs) 6% cumulative Redeemable Optionally convertible Preference Shares of



Rs. 100/- each (Rupees Hundred only) to Rs. 90,00,00,000 /- (Rupees Ninety Crores Only) Equity Share Capital consisting of 9,00,00,000 (Nine Crores) Equity Shares of Rs.10/- each (Rupees Ten only) for the purpose of issuance and allotment of the equity shares of the Company pursuant to approval of preference shareholders for Conversion of 20,00,000 (Twenty Lakhs) 6% cumulative Redeemable Optionally convertible Preference Shares of the company into Compulsory Convertible Preference Shares of the Company, and converting the same into 2,00,00,000 (Two Crores) Equity shares of Rs.10/- (Rupee Ten) ranking paripassu with the existing Equity Shares of the Company.”

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 13 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and subject to such approvals, consents, permissions and sanctions, if any, required from any authority Clause V of the Memorandum of Association of the Company be and is hereby amended and replaced by the following Clause hereunder:

Clause V – Memorandum of Association

V. The Authorized Share Capital of the Company is Rs. 90,00,00,000/- (Rupees Ninety Crores Only) comprising Rs. 90,00,00,000 /- (Rupees Ninety Crores Only) Equity Share Capital consisting of 9,00,00,000 (Nine Crores) Equity Shares of Rs.10/- (Rupees Ten Only) each with power to the company to increase or reduce the said capital in accordance with the application provision of the Companies Act, 2013 and to issue any part of the capital, or increased, with or without any preference, priority or special privilege or subject to any postponement of rights, and to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares whether expressed to be preference or otherwise, shall subject to the power herein before contained”.


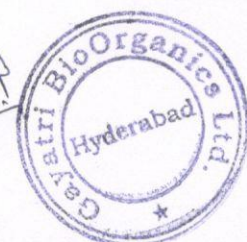
“RESOLVED FURTHER THAT the Directors of the company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary for giving effect to the above resolution.”

Since the Chairman of the meeting interested in the following matter he i.e Mr.T. Sandeep Kumar Reddy requested the board to take over the chair. As per the request of the Mr. Sandeep Reddy T , Mr. C.V.Rayudu took the chair and conducted the meeting (According to Secretarial Standard)

Item No.6:

Special Resolution to consider and approve the Conversion of Existing 6% Cumulative Redeemable Optionally Convertible Preference Shares Into Equity Shares was put to vote by Poll for passing the following resolution:

“RESOLVED THAT pursuant to the provisions of Section 106 of the Companies Act,1956, Section 55, 62 & 42 and other applicable provisions if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) and Board for Industrial & Financial Reconstruction Government of India (BIFR) order (dated 17.08.2008) and

consequent to the approval of Preference Shareholders of the company, subject to such approvals, consents, permissions and sanctions, if any, required from any authority, consent of the members be and is hereby accorded that the paid up Preference Share Capital of Rs. 20,00,00,000/- (Rupees Twenty Crore only) consisting of 20,00,000 (Twenty Lakhs), 6% cumulative Optionally Redeemable Preference Shares of Rs.100/- each (Rupees Hundred only) be altered as Compulsory Convertible Preference Shares and the same be converted into 1,70,06,802 (One Crore Seventy Lakhs Six Thousand Eight Hundred and Two) Equity shares of Rs. 10/- each at a premium of Rs.1.76/- (One Rupee and Seventy Six Paise Only)

“RESOLVED FURTHER THAT the Equity Shares of the Company to be allotted upon conversion of the Optionally Convertible Preference Shares, in accordance with the terms above, shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank paripassu in all respects including as to dividend, with the existing fully paid up Equity Shares of face value of Rs. 10/- each of the Company.”

“RESOLVED FURTHER THAT the Directors of the company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary for giving effect to the above resolution.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any Director of the Company to give effect to the aforesaid resolution.”

“RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolution are hereby approved, ratified and confirmed in all respects.”

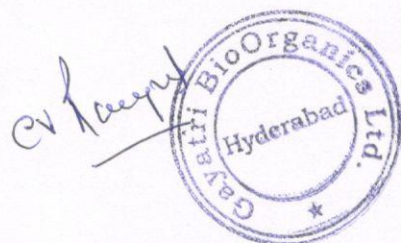
After putting the above resolution to members of the Company, Mr. C.V.Rayudu requested Mr.T. Sandeep Kumar Reddy to take over the chair and he accepted it and continued the meeting.

(According to Secretarial Standard)

Item No.7:

Special Resolution to consider and approve the issue of equity shares by way of conversion of part of unsecured loan was put to vote by Poll for passing the following resolution:

“RESOLVED THAT pursuant to the provisions of Section 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under and the provisions of Chapter VII of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009 as amended from time to time (hereinafter referred to as “the Regulations”) and any other applicable guidelines/regulations issued by the Securities and Exchange Board of India (SEBI) and subject to all necessary approvals, consents, permissions and/or sanctions of the Government of India, any other statutory or regulatory authorities, other applicable laws (including any statutory modification or enactment thereof, for the time being in force) and the enabling provisions of the Memorandum and Articles of Association of the Company and subject to such terms and conditions as may be determined by the



Board of Directors of the Company (herein after referred to as "The Board" which expression shall include a committee, constituted for the time being in force, thereof) and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, consents, permissions or sanctions and agreed to by the Board, the consent and approval of the Company be and is hereby accorded and the Board be and is hereby authorized to create, offer, issue and allot, from time to time, in one or more tranches, up to 42,51,700 (Forty Two Lakhs Fifty One Thousand Seven Hundred) Equity shares of Rs.10/-each at a premium of Rs.1.76/- (One Rupee and Seventy Six Paise Only) on preferential basis to proposed allottee in accordance with the Regulation 76(1) of the SEBI(ICDR)Regulations,2009 and applicable law by way of conversion of part of existing unsecured loan upon such other terms and conditions as may be deemed appropriate by the Board at its absolute discretion.

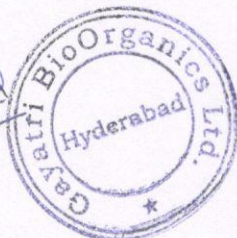
S.No	Name of the Proposed Allottees	PAN	No of Equity Shares to be Issued	Category	Allottee is: Body Corporate/Individual/HUF
1	MOHAN PROJECTS PRIVATE LIMITED	AAACCM504IJ	42,51,700	Non promoter	Body Corporate

"RESOLVED FURTHER THAT:

- The Relevant Date for the purpose of determining the issue price under SEBI (Issue of Capital and Disclosure Requirement) Regulations 2009 relating to the shares to be issued on preferential basis shall be August 26, 2016 i.e. 30 days prior to Annual General Meeting.
- The Equity shares resulting from conversion of unsecured loans referred to above shall in all respect rank pari-passu with the existing fully paid up equity shares of the Company, including entitlement to dividend.
- The Equity shares to be so allotted upon conversion of unsecured loans shall be in dematerialized form and shall be subject to the provisions of Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such deeds, matters and things as it may, in its absolute discretion deem necessary, desirable, incidental or expedient to the issue or allotment and listing of the Equity Shares on the Stock Exchange as appropriate and to clarify, resolve and settle all questions and difficulties that may arise in relation to the aforesaid proposed issue, offer and allotment and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion may deem fit, and to settle any question that may arise in this regard and incidental thereto without being required to seek any

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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.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred by this resolution on it, to any Committee of Directors, any other Director(s) or officer(s) of the Company to give effect to the aforesaid resolution.”

Item No.8:

Ordinary Resolution to approve the Report of Board of Directors of the Company to the shareholders on the erosion of more than 50% of the Net Worth of the Company was put to vote by Poll for passing the following resolution:

“RESOLVED THAT pursuant to the provisions of Section 23 of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA), the Report of Board of Directors of the Company to the shareholders on the erosion of more than 50% of the Net Worth of the Company as at the end of the Financial year ended 31st March, 2016 in relation to its peak net worth during the immediately preceding four financial years, be and is hereby considered, approved and noted.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary including reporting of the fact of such erosion to the Board for Industrial and Financial Reconstruction (BIFR) in the prescribed form and in accordance with the provisions of Section 23(1)(a)(i) of SICA and to do all such acts, deeds and things as may be considered necessary, proper or desirable or expedient to give effect to the above resolution.”

The Chairman requested the Members to put their vote in the Ballot Box before leaving.

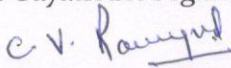
The Chairman requested Mr. Harinath Punna, Scrutinizer for Poll to take charge of the Ballot Box.

VOTE OF THANKS:

As there being no other business to be discussed, Chairman thanked the Members for attending the Meeting.

The Chairman then declared that the Meeting as concluded at 5:15 P.M.

For Gayatri BioOrganics Limited


C.V.Rayudu
Whole Time Director.

