



Gayatri

Bio Organics Limited

(Formerly Gayatri Starchkem Limited)

17th Annual Report 2007 - 08

17th Annual General Meeting

Day : **Wednesday**
Date : **24th September 2008**
Time : **3.00 P.M.**
Venue : "SURANA UDYOG AUDITORIUM",
FAPCCI Building, Federation House,
11-6-841, Red Hills, Hyderabad – 500 004

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BOARD OF DIRECTORS

Sri T.V. Sandeep Kumar Reddy	<i>Chairman</i>
Sri P. Maruthi Babu	<i>Director</i>
Sri T.G. Pandya	<i>Director</i>
Sri J. N. Karamchetti	<i>Director</i>
Sri Parth Dashrathlal Gandhi	<i>Director</i>
Sri Jayendra N. Shah	<i>Director</i>
Smt T. Sarita Reddy	<i>Additional Director (w.e.f 24.01.2008)</i>
Sri. T. R. Rajagopalan	<i>Additional Director (w.e.f 31.07.2008)</i>

COMPANY SECRETARY : *K.S.V.S. Sastry*

AUDITORS: **M/s. C.B.Mouli & Associates**
Chartered Accountants
125, M.G.Road,
Secunderabad – 500 003.

**REGISTERED OFFICE &
INVESTOR RELATION DEPT.,** 6-3-1090/C/A/1, 1st floor
Lovely Mansion, Rajbhavan Road,
Somjiguda, Hyderabad – 500 082.
Ph: 66100111/66100222, Fax:66100333
E-mail: info@ gayatribioorganics.com

FACTORY: NH-9, Nandikandi village
Sadasivapet Mandal
Medak District
Andhra Pradesh – 502 306

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NOTICE

NOTICE is hereby given that the **17th Annual General Meeting** of the members of Gayatri BioOrganics Limited will be held at the "SURANA UDYOG AUDITORIUM", FAPCCI Building, Federation House, 11-6-841, Red Hills, Hyderabad-500004 on Wednesday, the 24th Day of September, 2008 at 03.00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Balance Sheet of the company as at 31.03.2008 and the Profit and Loss account for the year ended on that date and the Report of Directors' and the Auditors thereon.
2. To appoint a Director in place of Sri. T. G. Pandya who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Sri. P. Maruthi Babu who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Sri. J. N. Karamchetti who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold the office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

To consider and, if thought fit, to pass with or without modification(s), following Resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 225 and other applicable provisions of the Companies Act, 1956, if any M/s. B S R & Co, Chartered Accountants, 5, Merchant Towers, IInd Floor, Road No.4, Banjara Hills, Hyderabad 500034 be and are hereby appointed as Statutory Auditors of the Company in place of the retiring Statutory Auditors M/s. C.B. Mouli & Associates, Chartered Accountants, 125, M.G.Road, Secunderabad, 500003, to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting of the Company and that the Board of Directors be and are hereby authorized to fix their remuneration."

SPECIAL BUSINESS:

6. To consider and if thought fit, to pass, with or without modification(s) the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT Smt. T. Sarita Reddy, who was appointed as an Additional Director of the Company by the Board of Directors and who holds the office under Section 260 of the Companies Act, 1956 until the date of the Annual General Meeting and in respect of whom the Company has received a notice in writing proposing her candidature for the office of a director under Section 257 of the companies Act, 1956 along with the requisite deposit, be and is hereby appointed as a director of the company liable to retire by rotation."

7. To consider and if thought fit, to pass, with or without modification(s) the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT Sri. T. R. Rajagopalan, who was appointed as an Additional Director of the Company by the Board of Directors and who holds the office under Section 260 of the Companies Act, 1956 until the date

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of the Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of a director under Section 257 of the companies Act,1956 along with the requisite deposit, be and is hereby appointed as a director of the company liable to retire by rotation.”

By Order of the Board


T.V. Sandeep Kumar Reddy
Chairman

Place : Hyderabad
Date : 31.07.2008

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND TO VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Register of Members and the Share Transfer Books will remain closed from 18th September, 2008 to 24th September 2008 (both days inclusive).
4. The Members are requested to intimate immediately any change in their address to the Company at the Registered Office or M/s Venture Capital and Corporate Investments Limited, 12-10-167, Bharat Nagarr, Hyderabad 500018.
5. Members desiring any information as regards the Accounts are requested to write to the Company not less than seven days before the date of the meeting to enable the Management to keep the information ready at the meeting.
6. Members / Proxies are requested to bring their Annual Report to the meeting and the attendance slip duly filed in for attending the meeting. Copies of Annual Reports will not be provided at the meetings.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No.6

The Board of Directors of the Company appointed Smt. T Sarita Reddy as Additional Director of the Company and her term of office expires on the date of ensuring Annual General Meeting

Considering her rich experience, the Board recommends that she should be appointed as a director liable to retire by rotation. Further the Company has received a special notice in writing from a member as per the provisions of Section 257 of the Companies Act, 1956, which requires the approval of the members in their meeting,

The Board commends this resolution for your approval.

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None of the Directors except Sri. T.V. Sandeep Kumar Reddy and Smt. T. Sarita Reddy is interested in this resolution.

Item No.7

The Board of Directors of the Company appointed Sri. T R. Rajagopalan, as Additional Director of the Company and his term of office expires on the date of ensuring Annual General Meeting

Considering his rich experience, the Board recommends that he should be appointed as a director liable to retire by rotation. Further the Company has received a special notice in writing from a member as per the provisions of Section 257 of the Companies Act, 1956, which requires the approval of the members in their meeting,

The Board commends this resolution for your approval.

None of the Directors except Sri. T. R. Rajagopalan is interested in this resolution.

By Order of the Board


T.V. Sandeep Kumar Reddy
Chairman

Place : Hyderabad
Date : 31.07.2008

DIRECTORS' REPORT

To
The Members of
Gayatri BioOrganics Limited

Your Directors present the Seventeenth Annual Report along with the Audited Financial Statements and the Auditor's Report thereon for the period ended 31st March, 2008.

FINANCIAL RESULTS

	(Rs. in lakhs)	
	31.03.2008	31.03.2007
Income from Operation	4,221.02	3,304.24
Other Income	56.47	121.16
Total:	4,277.49	3,425.40
Total Expenditure (Including prior period Adj.A/c)	4,191.04	3,324.85
Finance Charges	9.85	84.45
Gross Profit/(Loss) after finance charge (But before depreciation and taxation)	76.60	16.10
Depreciation	(275.74)	(274.47)
Extra ordinary Items	735.42	2,136.82
Provision for Taxation	(1.59)	(1.37)
Net Profit / (Loss)	534.69	1,877.08

PERFORMANCE DURING THE YEAR UNDER REVIEW

SORBITOL DIVISION

You may be aware that the Sorbital plant was put in back into service with effect from 01-10-2006 and the Company produced 3846 MTs during the Financial Year ended 31st March, 2008 which is nearly 45% of the installed capacity. During the year under review the Company also took up the retrofitting of the exiting plant to achieve 100% installed capacity of the Sorbital Plant. The Management is also considering to enhance the capacity of the existing plant from 30 TPD to 60 TPD.

STARCH DEPARTMENT

Even though the performance of this plant is better when compared to previous year, there is still scope for improvement if the market conditions are more conducive and there is enough working capital. The Company crushed 34,218 MTs maize as against 28,831 MTs maize during the previous year. Because of the market conditions and the satisfactory operations the cash profit is Rs.84.85 lakhs against last year cash profit of Rs. 81.6 lakhs without considering financial charges. The Management is considering to invest Rs.2 crores in strengthening the existing plant which enables the company to achieve the production of 100% Installed Capacity. The Management is also considering to enhance the capacity of the existing plant from 150 TPD to 350 TPD.

EXPORTS

The Company did not do any exports during the year since the prices in international markets continue to be unremunerative.

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OUTLOOK FOR THE FINANCIAL YEAR 2008-09

It is gratifying to say that the products of this Company are well accepted in the market and are being patronized by the major clients. The Company is hopeful of achieving 100% of the installed capacity.

The maize crop during the year in the state is good and bumper harvest is expected. With this scenario we are hopeful of achieving higher operational levels.

The Hon'ble BIFR approved the rehabilitation package filed with it and passed the final order with regard to Rehabilitation package which has included various grants, reliefs and concessions with various departments of both Central and State Government. And the Company is approaching different government authorities to seek the grants, reliefs and concessions as directed by Hon'ble BIFR in the Rehabilitation Package.

The Management proposed to enhance the capacity of crushing plant. Starch, Sorbitol plant and add facilities for 50 K.L. Grain based distillery as a part of revival plan. The management is also considering enhancing the capacity of existing sorbitol plant from 30 TPD to 60 TPD and enhancing the capacity of maize starch from 60 TPD to 90 TPD and install a 50 KL distillery plant for manufacture of ENA from maize starch. Regarding 50 KL grain based distillery company obtained all the clearances from the Government.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a. Industry - Structure and Developments.

Sorbitol and Starch industries in India are very much fragmental and scattered throughout India. The growth in demand for Sorbitol is promising. As for as Sorbitol is concerned at present our company is only one plant in South India. When it comes to starch, for the last 2 years we observe that the consumption of Starch in south has increased. There is steady growth and demand for these products as 60% of starch goes to textile, food based industries. The demand is there throughout the year. At present the demand for both Sorbitol and Starch is promising on a continued basis.

b. Opportunities and threats.

The company does not see any opportunities but has been facing the threat of import of Sorbitol.

c. Out look

The outlook for the company's products is reasonably good but the management feels that the company can achieve better results only if it can reach its full capacities which is possible only when the company is provided with sufficient working capital.

d. Risks and Concerns.

Sorbitol and Starch being agro based industries there is no risk of product obsolescence or steep fall in demand by way of product substitution. Therefore your directors do not foresee any major risks and concerns, except as discussed else where in this report, in the near future.

e. Internal Control Systems and their adequacy:

The company has developed adequate internal control and reporting systems and is well placed.

f. Financial / Operational performance:

This has already been discussed in this report.

g. Human Resources / Industrial Relations :

The company employs about 250 people both in Sorbitol and Starch divisions including Head Office. The Company enjoys very cordial relations with the staff, workers and with workers union. The industrial relations continued to be cordial during the year under review.

CAUTIONARY STATEMENT:

Statements in this "Management Discussion & Analysis" may be considered to be "forward looking statements" only. Actual results could differ materially from those expressed or implied within the meaning of applicable securities laws or regulations.

LISTING OF SECURITIES

- (a) The Company's Shares are listed with **Bombay Stock Exchange Limited**, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 023 and The Hyderabad Stock Exchange Limited, 6-3-654, Adjacent to Erramanjil Bus Stop, Somajiguda, - 500 029. **However, SEBI Derecognized Hyderabad Stock Exchange Limited.**
- (b) The Company paid Listing fees for the year 2008-09 to Bombay Stock Exchange Limited. However, Annual Listing Fees for the year 2002-03 to till date has not been paid to the Hyderabad Stock Exchange.

Members are aware that the trading in the Company's equity shares were suspended by the Bombay Stock Exchange Limited. However, the management has taken initiative to revoke the suspension in trading of equity shares. The Chairman along with the Management Team represented the Company before the Listing Committee of the Bombay Stock Exchange Limited. Management is of the opinion that the Bombay stock Exchange Limited will soon allow the trading of equity shares of the Company.

REFERENCE TO BIFR:

Members are aware that the net worth of the Company had been completely eroded and the Company was registered as sick industrial Company vide No. 263/2000 with BIFR.

Hon'ble BIFR approved the rehabilitation package filed with it and passed the final order with regard to Rehabilitation package which has included various grants, reliefs and concessions with various departments of both Central and State Government. And the Company is approaching different government authorities to seek the grants, reliefs and concessions as directed by Hon'ble BIFR in the Rehabilitation Package.

DIRECTORS

Sri T. G. Pandya who retires by rotation at the ensuing Annual General Meeting is eligible for reappointment and offered himself for re appointment.

Sri P. Maruthi Babu who retires by rotation at the ensuing Annual General Meeting is eligible for reappointment and offered himself for re appointment.

Sri J.N. Karamchetti who retires by rotation at the ensuing Annual General Meeting is eligible for reappointment and offered himself for re appointment.

During the year Smt. T. Sarita Reddy was appointed as Additional Director in the Board Meeting held on 24.01.2008. The Board of directors recommends her appointment as Director liable to retire by rotation at the ensuing Annual General Meeting.

During the year Sri. T. R. Rajagopalan, was appointed as Additional Director in the Board Meeting held on

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31.07.2008. The Board of directors recommends his appointment as Director liable to retire by rotation at the ensuing Annual General Meeting.

APPOINTMENT OF AUDITORS

The Members are requested to consider the appointment of M/s. B S R & Co, Chartered Accountants as Statutory Auditors in place of the retiring Statutory Auditors M/s. C. B. Mouli & Associates, Chartered Accountants, from this Annual General Meeting to the conclusion of the next Annual General Meeting. And also M/s. B S R & Co, Chartered Accountants have confirmed their eligibility under Section 224 (1B) of the Companies Act. The Board recommends their appointment.

COST AUDITORS

The Board of directors appointed Mr. S.P. SARMA Cost Accountant, Plot No. 83, Hasthinapuram (south) Hyderabad-500 079, A. P. as cost auditors for the financial year 2008-09.

PARTICULARS OF EMPLOYEES

There are no employees drawing remuneration exceeding the limits as specified under the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended time to time.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information required under Section 217 (1) (e) of the Companies Act 1956, read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings/ Outgo is appended hereto and forms part of this report as Annexure – A.

AUDITORS REPORT

With regard to Point 7 of Annexure to Auditors' Report pertaining to Internal Audit System, since the Company was a sick Company, the Company was not appointed Internal Auditor. However, the Board of Directors in their meeting held on 31st July, 2008 decided to consider the appointment of Internal Auditors of the Company in the next Board Meeting.

With regard to Point 9(a) pertaining to default of deposit of amounts to Provident Fund, Employees State Insurance is due to lack of funds. However, there were no outstanding dues to PF and Statutory authorities except for the month of July, 2008 as on date.

With regard to Point 9 (b) pertaining to undisputed dues to Sales Tax and Service tax is also due to working capital constraints. The Company will pay the dues once the funds are available.

With regard to Point 9 (c) pertaining to dues to Customs duty, the same is self explanatory.

With regard to Point 11 pertaining to default in repayment of dues to financial institutions and banks, the same is self explanatory.

CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement, a report on Corporate Governance along with Auditor's Certificate on its compliance, certificate of the Chairman regarding adoption of Code of Conduct and Certificate by the

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Chairman and Vice President (Operations) in respect of financial reporting is given in the Annexure – B, Annexure-C, Annexure-D and Annexure – E respectively which forms part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT:

According to Section 217 (2AA) of the Companies Act, 1956 your directors state:

- (i) that in the preparation of Annual Accounts for the year ended 31st March, 2008, the applicable accounting standards have been followed along with the proper explanation relating to material departures:
- (ii) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended 31st March, 2008 and of the profit and loss of the company for that period:
- (iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities:
- (iv) that the directors have prepared the annual accounts on a going concern basis.

PUBLIC DEPOSITS:

The Company has not accepted any deposits as per Section 58A of the Companies Act, 1956 during the year under review.

ACKNOWLEDGEMENTS:

Your Directors would like to place on record their sincere appreciation and gratitude to all Financial Institutions, Company's Bankers, Shareholders, Government Agencies, Suppliers, Customers and all the Employees of the Company for their Co-operation and support during the year.

By Order of the Board


T.V. Sandeep Kumar Reddy
Chairman

Place : Hyderabad
Date : 31.07.2008

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ANNEXURE - 'A' TO DIRECTORS REPORT

Disclosure of Particulars with respect to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo as required under the **Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988** and forming part of the report of Board of Directors for the year ended 31st March 2008

FORM - "A"

PARTICULARS UNDER THE COMPANIES (DISCLOSURES OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1998.

A. CONSERVATION OF ENERGY

Sl.No.	POWER AND FUEL CONSUMPTION	Current Year 2007-08	Previous Year 2006-07
1.	Electricity		
a)	<i>Purchased Unit(Kwh)</i>	82,86,600.00	70,79,916.00
	Total Cost (Rs. In lakhs)	273.65	244.36
	Rate/Unit Rs.	3.30	3.45
b)	<i>Own Generation</i>		
i.	Through Diesel Generator:		
	Unit(Kwh)	8,228	7,400
	Units per Ltr. of Diesel Oil (KWH)	1.95	1.92
	Cost/Unit (Rs/KWH)	17.41	18.18
2.	HUSK		
	Quantity (MTs)	12,769.22	10,110.29
	Total cost (in Rs.in Lakhs)	222.16	159.86
	Average cost per Ltr (Rs)	1.74	1.58
3.	DIESEL OIL		
	Quantity (K.ltrs)	6.00	5.73
	Total amount (Rs. In Lakhs)	2.04	2.00
	Average cost per Ltr (Rs)	34.02	34.97

FORM - "B"

PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

A.	RESEARCH AND DEVELOPMENT (R&D)	:	NIL
B.	TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION	:	NIL
C.	FOREIGN EXCHANGE EARNINGS AND OUTGO:		
	1. FOREIGN EXCHANGE EARNINGS (FOB)	:	NIL
	2. FOREIGN EXCHANGE OUTGO (CIF)	:	NIL

By Order of the Board


T.V. Sandeep Kumar Reddy
Chairman

Place : Hyderabad
Date : 31.07.2008

ANNEXURE – ‘B TO DIRECTORS REPORT CORPORATE GOVERNANCE REPORT FOR THE YEAR 2007-08

(As per Clause 49 of the listing Agreement entered into with the Stock Exchanges)

1. Corporate Governance Philosophy

The Company is a firm believer in core values of Corporate Governance Code. The Company fully understands the rights of its shareholders to have intimation on the performance of the Company and considers itself a trustee of its shareholders. The Company is committed to good corporate governance, adherence to Statutory and regulatory prescriptions, care for environment and social responsibility.

The Company has adopted a Code of Conduct for members of the Board and Senior Management, who have affirmed in writing their adherence to the Code.

2. Board of Directors

(a) Composition:

The Board of Directors consists of Seven directors as follows:

Board of Directors

Sri T.V.Sandeep Kumar Reddy	Chairman & Promoter Director
Sri P. Maruthi Babu	Non Executive & Independent Director
Sri T.G.Pandya	Non Executive & Independent Director
Sri J. N. Karamchetti	Non Executive & Independent Director
Sri. Parth D. Gandhi	Non Executive & Nominee Director
Sri. Jayendra N. Shah	Non Executive & Nominee Director
Smt. T. Sarita Reddy	Non Executive & Promoter Director

The following table shows the composition of directors and their attendance at the board meetings held on the dates below mentioned and the last Annual General Meeting was held on 27th September 2007.

Name	Category	Board Meetings Attended	Attendance at the last AGM	No. of Other Director-ships held in other Companies	
				Public	Private
Sri. T.V.Sandeep Kumar Reddy	Promoter-Chairman	8	Yes	7	17
Sri T.G.Pandya	Non –Executive & Independent Director	8	Yes	NIL	NIL
Sri. P. Maruthi Babu	Non-Executive & Independent Director	8	Yes	3	5
Sri. J.N. Karamchetti	Non-Executive & Independent Director	8	Yes	NIL	NIL
Sri. Parth D. Gandhi	Non Executive & Nominee Director	2	N.A	1	4
Sri. Jayendra N. Shah	Non Executive & Nominee Director	Nil	N.A	1	4
Smt. T. Sarita Reddy	Non Executive & Promoter Director	1	N.A	5	10

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(b) Board Meetings held during the year 2007-2008:

The Board meets at least once in a quarter to consider among other business, the quarterly performance of the Company and financial results. During the financial year 2007-2008 the Board Meeting was held Eight times as follows:

S.No	Date of Board Meeting
1.	17 th May, 2007
2.	30 th June, 2007
3.	31 st July, 2007
4.	23 rd August, 2007
5.	12 th September, 2007
6.	11 th October, 2007
7.	31 st October, 2007
8.	24 th January, 2008

(c) Details of Directors seeking appointment /re-appointment as required under clause 49 of the listing agreement

As per the requirements of the Listing Agreement with Stock Exchanges on Corporate Governance, the information about the Directors proposed to be Appointed / re-appointed is given as under.

Sri T.G. Pandya, Sri P. Maruthi Babu and Sri J. N. Karamchetti retire by rotation in this Annual General Meeting and being eligible offers themselves for reappointment.

Smt T. Sarita Reddy was appointed as Additional Directors in the Board Meeting held on 24.01.2008. The Board of directors recommends her appointment as Director liable to retire by rotation at the ensuing Annual General Meeting.

Sri T. R. Rajagopalan, was appointed as Additional Directors in the Board Meeting held on 31.07.2008. The Board of directors recommends his appointment as Director liable to retire by rotation at the ensuing Annual General Meeting.

A brief resume about the Director:

Sri T. G. Pandya is aged 70 years and is a graduate in commerce. He is having vast experience in the starch field and worked with Lakshmi Starch Ltd. as General Manager for considerable number of years. His administrative and commercial experience would be of immense use to the company. It is therefore expedient in the interest of the company to continue him as the director of the company.

Sri P. Maruthi Babu

Sri P. Maruthi Babu is a graduate in electrical engineering having vast experience and had an active service of 37 years of which 19 years service in Andhra Pradesh State Electricity Board and 17 in years in Central Autonomous Organization i.e Central Board of Irrigation & Power. He has vast experience in Electrical Engineering, Administration and Accounts. His experience in electrical engineering will be of immense benefit to the company. As a senior officer in charge of Accounts in Central Board of Irrigation & Power, his experience is being used in the Company for the benefit of reviewing the performance of Finance and Accounts of the Company.

Sri J.N. Karamchetti:

Sri J.N. Karamchetti did his Bachelor engineering in the year 1970 from College of Engineering, Kakinada, Andhra Pradesh. Latter on he did his Masters in IIT Kharagpur in the year 1973. He is also a member of Indian Institute of Plant Engineers and Institution of Engineers (India). He has a very rich experience in all fields of Engineering and in Steel, Energy, Rubber and Starch sectors. He is also very familiar for giving guest lecturers and presenting technical papers in various seminars and workshops especially in the filed of Energy.

Smt T. Sarita Reddy:

Smt T. Sarita Reddy did her Master of Business Administration and she belongs to promoter group of the company.

Sri T.R. Rajagopalan:

Sri T. R. Rajagopalan aged about 67 years is a MA, MSc, CAIIB. He is a Retired GM State Bank of India and has experience of 39 years in credit and international banking. He held various assignments both at operational as well as policy framing levels. These assignments include Branch Manager, Regional Manager, Deputy General Manager (Commercial Banking) and General Manager (Commercial Banking). He also handled the assignment with Bank of Ghana, under World Bank to train all banking officials of that country, in the areas of Credit Management.

3 Audit Committee

The Audit Committee constituted by the Board of Directors consists of two Non-Executive independent directors and one Nominee director, namely:

Sri P. Maruthi Babu	Chairman of the committee
Sri T.G.Pandya	Member
Sri Parth D Gandhi	Member

The Constitution of Audit Committee also meets with the requirements of Section 292A of the Companies Act, 1956

The responsibilities of the Audit Committee are as defined under the code of Corporate Governance and include reviewing of internal Audit Reports, discussing with Statutory Auditors on their observations with regard to the books of Account, review of internal control measures etc,

The Audit Committee meetings were held Five times during the financial year 2007-2008 on 17th May, 2007, 30th June, 2007, 31st July, 2007, 31st October, 2007 and 24th January, 2008 and all the members of the Audit Committee attended the above said meetings.

4. Remuneration Committee

The Company does not have any remuneration committee. Since the Company is incurring losses, no remuneration is paid to the directors except the sitting fees for the board meetings attended.

5. Share Transfer Committee

The Company has a Share Transfer Committee comprises of Sri T.V.Sandeep Kumar Reddy, Sri P. Maruthi Babu and Sri. T.G. Pandya.

The Committee is looking after the matters of transfer and transmission of shares and issue of duplicate share certificates. The Committee has been meeting at regular intervals.

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6. Annual General Meetings

The Annual General Meetings of the Company (AGM) has been held at the following places during the last three years.

Year	Venue	Day and Date	Time
2004-2005	K.L.N. PRASAD AUDITORIUM FAPCCI Building, Federation House, Red Hills, Hyderabad – 500 004	Tuesday 27 th September, 2005	11.00 A.M
2005- 2006	K.L.N. PRASAD AUDITORIUM FAPCCI Building, Federation House, Red Hills, Hyderabad – 500 004	Wednesday 27 th September, 2006	11.00 A.M
2006-2007	SURANA UDYOG AUDITORIUM FAPCCI Building, Federation House, Red Hills, Hyderabad – 500 004	Thursday 27 th September, 2007	3.00 P.M

7. Disclosures

a) Means of Communication

The quarterly, half-yearly Un audited Financial Results and the Annual Audited Financial Results are published in leading News Papers namely Business Standard and Andhra Prabha.

b) Management's Discussion and Analysis Report

The Management's Discussion and Analysis Report forms part of Annual Report and Covered in the Directors' Report.

c) Disclosures on materially significant related party transactions:

The necessary disclosures regarding the transaction with related parties are given in the Notes to the Accounts.

d) Risk Management

Business risk evaluation and management is an ongoing process within the organization.

e) Compliance certificate of the Auditors

Certificate of the Statutory Auditors has been obtained on the compliance of the conditions of Corporate Governance in terms of Clause 49 of the Listing Agreement of the Stock Exchanges and the same is annexed as Annexure – C. Declaration by Chairman of the Company on Code of Conduct is annexed as Annexure – D.

f) General Shareholder's information

i) Annual General Meeting

Day : Wednesday
Date : 24th September, 2008
Time : 03.00 P.M.
Venue : Surana Udyog Auditorium
"FAPCCI" Building, Federation House,
H.No: 11-6-841, Red Hills, Hyderabad – 500 004.

ii) Financial Calendar

Annual General Meeting	September, 2008
Unaudited results for the	
- Quarter ending 30 th June, 2008	July, 2008
- Quarter ending 30 th September, 2008	October, 2008
- Quarter ending 31 st December, 2008	January, 2008

iii) Date of Book closure 18th September, 2008 to 24th September, 2008

iv) Dividend No dividend was recommended

v) Listing on Stock Exchanges:

Bombay Stock Exchange Limited,
P J Towers, Dalal Street, Mumbai – 400 001.

vi) Registrar and Transfer Agent

The Company has appointed M/s Venture Capital Corporate Investments Limited, 12-10-167, Bharat Nagar, Hyderabad 500018 as Registrar and Transfer Agent for both physical and Demat shares of the company. Shareholders are requested to send their shares for transfer or for Demat either to the company or RTA.

vii) Dematerialization of Shares and liquidity

ISIN No : **INE 052 E 01015**
 Depository Connectivity : **CDSIL**

viii) Distribution of Shareholding as on 31st March, 2008

S.No	Category	Shareholders		Amount (In Rs.)	% of Holding
		Nos.	%		
1.	upto – 5000	19,857	93.69	3,05,70,400	7.04
2.	5001 - 10,000	951	4.49	75,36,000	1.74
3.	10,001 - 20,000	257	1.21	37,75,000	0.87
4.	20,001 - 30,000	53	0.25	13,46,000	0.31
5.	30,001 - 40,000	15	0.07	5,13,000	0.12
6.	40,001 - 50,000	19	0.09	9,34,000	0.22
7.	50,001 -1,00,000	18	0.08	14,58,000	0.34
8.	1,00,001 & Above	25	0.12	38,78,67,500	89.37
		21,195	100.00	43,39,99,900	100.00

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ix) Shareholding Pattern Equity Shares of Rs.10/- each

Shareholders	As on 31 st March, 2008		As on 31 st March, 2007	
	No. of shares	%	No. of shares	%
Promoters	1,84,99,990	42.63	80,99,990	55.86
Financial institutions and Banks	15,19,300	3.50	15,19,300	10.48
Private Corporate Bodies	86,700	0.20	98,500	0.68
Foreign Venture Capital Investor	1,84,99,990	42.63	—	—
Indian Public	38,10,310	8.77	37,72,710	26.02
NRI/OCB	9,83,700	2.27	10,09,500	6.96
Total	4,33,99,990	100.00	1,45,00,000	100.00

x) Outstanding GDRs/ADRs/Warrants or any Convertible instruments

The Company does not have above instruments.

xi) Plant Location

NH-9, Nandikandi Village, Sadasivapet Mandal
Medak District, Andhra Pradesh – 502 306.

xii) Address for Correspondence

Secretarial Department,
Gayatri BioOrganics Limited,
6-3-1091/C/A/1, Lovely Mansion,
Rajbhavan Road, Somajiguda
Hyderabad – 500 082.

Members are requested to quote their registered folio number / DP ID number, Customer ID number in all the correspondence with the Company. Members are advised to deliver the share certificates along with necessary documents for physical transfer as well as demat purpose at the above address or at the RTA office.

**ANNEXURE C TO DIRECTORS' REPORT
CERTIFICATE**

Auditors' Certificate on compliance of conditions of Corporate Governance as per clause 49 of the Listing Agreement with the Stock Exchanges.

To
The Members of
GAYATRI BIOORGANICS LIMITED

We have examined the compliance of conditions of Corporate Governance by Gayatri BioOrganics Limited ("the Company") for the year ended 31st March, 2008 as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examinations has been limited to a review of the procedure and implementations thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreements.

We state that such compliance is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

For **C.B.Mouli & Associates**
Chartered Accountants


M. Premchand
Partner

Place : Hyderabad
Date : 31-07-2008

**ANNEXURE D OF DIRECTORS' REPORT
DECLARATION BY CHAIRMAN OF THE COMPANY ON CODE OF CONDUCT**

As per the Revised Clause 49 of the Listing Agreement of the Stock Exchanges the Board shall lay down a code of conduct for all board members and senior management of the Company. The code of conduct shall be posted on the website of the Company and all the Board members and senior management personnel shall affirm compliance with the code on annual basis. The Annual report of the Company shall contain a declaration to this effect signed by Chairman of the Company.

I hereby declare that:

1. Code of Conduct adopted by the Company was circulated to the members of the Board and senior management of the Company.
2. All the members of the Board and senior management of the Company have confirmed the compliance with the Code of Conduct.

By Gayatri BioOrganics Limited


T.V. Sandeep Kumar Reddy
Chairman

Place : Hyderabad
Date : 31.07.2008

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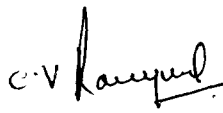
ANNEXURE - E TO DIRECTORS' REPORT

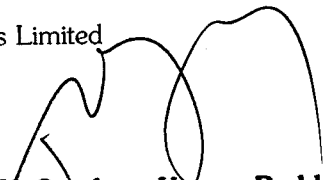
To
The Board of Directors,
Gayatri BioOrganics Limited,

We have certify that :

- a) We have reviewed financial statements and the cash flow statement for the financial year ended March, 2008 and to the best of our knowledge and belief:
- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We further certify that:
- There have been no significant changes in internal control during this year.
 - There have been no significant changes in accounting policies during this year.
 - There have been no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system.

For Gayatri BioOrganics Limited


C.V. Rayudu
Vice President (Operations)


T. V. Sandeep Kumar Reddy
Chairman

Place : Hyderabad
Date : 24.05.2008

AUDITORS' REPORT

To
The Members,
GAYATRI BIOORGANICS LIMITED,
Hyderabad.

We have audited the attached Balance Sheet of **GAYATRI BIOORGANICS LIMITED**, Hyderabad as at 31st March, 2008, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph - 1 above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet and Profit & Loss Account comply with accounting standards referred to in Section 211(3C) of the Companies Act, 1956.
 - e) On the basis of written representations received from the directors, as on 31st March, 2008, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2008 from being appointed as a Director in terms of clause(g) of sub section (1) of Section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2008;
 - ii) in the case of the Profit and Loss Account, of the Loss of the Company for year ended on that date and
 - iii) in the case of Cash Flow Statement , of the Cash Flows of the company for the year ended on that date.

For **C.B.Mouli & Associates**
Chartered Accountants

— s.d. —
M. Premchand
Partner
Membership No.211745

Place : Hyderabad
Date : 24.05.2008

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ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 of our report of even date)

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) As explained to us the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
(c) In our opinion, the Company has not disposed off substantial part of fixed assets during the year and the going concern status of the company is not affected.
2. (a) As explained to us, inventories have been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.
(b) In our opinion, and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) In our opinion the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
3. (a) The Company had taken loans from parties covered in the register maintained u/s.301 of the Companies Act, 1956. The maximum amount involved during the Year was Rs. 5051.96 lakhs and the year-end balances of loans taken from such parties were Rs. 100.02 lakhs. The Company has not granted any loans to companies, firms or other parties listed in the register maintained u/s. 301 of the Companies Act, 1956
(b) In our opinion, the rate of interest and other terms & conditions on which loans have been taken from companies, firms or other parties listed in the register maintained u/s 301 of the Companies Act, 1956 are not prima facie, prejudicial to the interest to the company.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to Sec 301 of the Act have been entered in the register required to be maintained under that section and
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public within the meaning of Sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under.
7. **In our opinion, the Company has no internal audit system commensurate with the size and nature of its business.**
8. We have broadly reviewed the books of accounts maintained by the company where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section of (1) of Section 209 of the Companies Act, 1956 and are of the opinion that prima-face the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

Gayatri BioOrganics Limited

9. (a) **In our opinion and according to the information and explanations given to us, the Company is not regular in depositing the provident fund, employees' state insurance dues with the appropriate authorities. The arrears of provident fund and employee state insurance are amounting to Rs. 3,49,129/- at the year end.**
- (b) According to the information and explanations given to us, there are no undisputed dues of wealth tax/ service tax/customs duty/ excise duty/cess were outstanding as at 31st March 2008 for a period of more than six months from the date they became payable **except the following :**
- (a) **sales tax amounting to Rs.15,96,291/-**
- (b) **service tax amounting to Rs.86,267/-**
- (c) **According to the information and explanations given to us, there are dues of custom duty to the extent of Rs.688.25 lakhs which have not been deposited on account of dispute.**
10. The company has accumulated losses in excess of 50% of its net worth as at 31st March, 2008. The company has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. **In our opinion and according to the information and explanations given to us, though the Company has defaulted in repayment of dues to financial institutions and banks as per the One Time Settlement (OTS) scheme devised, all these loans have been settled as per scheme.**
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a Nidhi mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the Company.
14. The Company has maintained proper records of transactions and contracts in respect of purchase of shares and timely entries have been made therein. All shares have been held by the Company in its own name.
15. In our opinion and according to the information and explanations given to us, the Company has not given guarantees for loans taken by others from financial institutions and banks.
16. The Company has not taken any term loans during the year under report.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.
18. According to the information and explanations given to us, the Company has made preferential allotment of shares to promoters covered in the register maintained under Section 301 of the Act during the year. The price at which shares have been issued is not prejudicial to the interest of the company.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our Audit.

For **C.B.Mouli & Associates**
Chartered Accountants

— Sd —

M. Premchand

Partner

Membership No.211745

Place : Hyderabad
Date : 24.05.2008

BALANCE SHEET AS AT 31st MARCH, 2008

PARTICULARS	SCH	As At 31st March 2008 Rs.	As At 31st March 2007 Rs.
I. SOURCE OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	81,78,13,400	14,50,00,000
Share Application Money		—	10,40,00,000
Reserves & Surplus	2	10,00,000	10,00,000
LOAN FUNDS:			
Secured Loans	3	8,53,817	14,10,22,276
Unsecured Loans	4	1,00,02,155	42,40,89,243
TOTAL		82,96,69,372	81,51,11,519
II. APPLICATION OF FUNDS			
1 FIXED ASSETS			
Gross Block	5	60,50,14,182	58,96,71,540
Less: Depreciation		28,97,00,238	26,23,22,295
Net Block		31,53,13,944	32,73,49,245
2 INVESTMENTS	6	15,000	21,540
3 CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	7	3,83,44,443	2,30,51,338
Sundry Debtors	8	3,98,89,883	2,89,14,952
Cash and Bank Balances	9	2,20,65,952	1,41,30,537
Deposits	10	53,79,598	50,30,568
Loans and Advances	11	15,81,490	13,82,921
		10,72,61,366	7,25,10,316
4 LESS: CURRENT LIABILITIES AND PROVISIONS ¹²		4,63,65,331	9,16,82,739
NET CURRENT ASSETS		6,08,96,035	(1,91,72,423)
5 (a) Miscellaneous expenditure to the extent not written off or adjusted		—	—
(b) Profit and Loss Account		45,34,44,393	50,69,13,157
TOTAL		82,96,69,372	81,51,11,519

Schedule 1 to 21 and Notes to accounts form an integral part of Balance Sheet and P & L Account

As per our report of even date

For & On behalf of the Board

For C.B.Mouli & Associates

Chartered Accountants

M.Premchand

Partner

K S V S Sastry

Company Secretary

P.Maruthi Babu

Director

T.V.Sandeep Kumar Reddy

Chairman

Place : Hyderabad

Date : 24.05.2008

Gayatri BioOrganics Limited

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2008

PARTICULARS	SCH	Year Ended 31st March 2008 Rs.	Year Ended 31st March 2007 Rs.
I INCOME			
Sales	13	42,21,01,964	33,04,24,424
Other Income	14	56,47,277	1,21,15,701
Increase/(Decrease) in Stock	15	1,06,42,551	28,21,691
TOTAL		43,83,91,792	34,53,61,816
II EXPENDITURE			
Raw Materials Consumed	16	26,51,89,004	20,25,46,527
Manufacturing Expenses	17	7,52,63,924	5,95,61,931
Administrative Expenses	18	4,77,04,832	4,49,89,370
Selling and distribution Expenses	19	2,68,37,426	1,71,73,808
Taxes and Duties		1,47,51,611	1,10,35,826
Financial Charges	20	9,84,946	84,44,794
Depreciation		2,75,73,839	2,74,46,864
TOTAL		45,83,05,582	37,11,99,120
Net Profit / (Loss) for the year		(1,99,13,790)	(2,58,37,304)
Add/Less: Extraordinary Items.	21	7,35,41,715	21,36,81,508
Profit/(Loss) After Extraordinary items		5,36,27,925	18,78,44,204
Less: Provision for Fringe Benefit Tax		1,59,161	1,36,659
Profit/(Loss) After Tax		5,34,68,764	18,77,07,545
Add: Loss brought forward from Previous year		(50,69,13,157)	(69,46,20,702)
Surplus/(deficit) carried to Balance Sheet		(45,34,44,393)	(50,69,13,157)

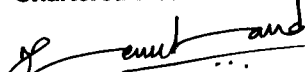
Schedule 1 to 21 and Notes to accounts form an integral part of Balance Sheet and P & L Account

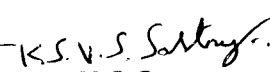
As per our report of even date

For & On behalf of the Board

For C.B.Mouli & Associates

Chartered Accountants


M. Premchand
Partner


K S V S Sastry
Company Secretary


P. Maruthi Babu
Director


T.V. Sandeep Kumar Reddy
Chairman

Place : Hyderabad
Date : 24.05.2008

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2008

PARTICULARS	Year Ended 31st March 2008 Rs.	Year Ended 31st March 2007 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit\ (Loss) before tax and after Extra extraordinary items	5,36,27,925	18,78,44,204
Adjustments for:		
Depreciation	2,73,77,942	2,74,46,865
Prov. for Investments Diminution	—	3,19,360
Interest Expenses	7,62,739	80,32,674
- Term liabilities and Working Capital loans of Banks/Fls Written off under OTS.	(7,35,41,715)	(21,36,81,508)
Operating Profit\ (Loss) before working capital changes	<u>82,26,891</u>	<u>99,61,595</u>
Adjustments for:		
Misc. Expenditure	—	—
Trade and other receivables	(1,15,22,530)	(1,07,61,630)
Inventories	(1,52,93,104)	(92,52,297)
Trade Payables	(4,53,17,405)	1,48,72,860
Prior Period Adj (Gratuity and Leave Encashment)	—	(18,85,459)
Cash generated from operations	(6,39,06,148)	29,35,069
Interest paid	(7,62,739)	(14,82,674)
Direct Taxes paid - FBT	(1,59,161)	(1,36,659)
Net Cashflow From Operating Activities	<u>(6,48,28,048)</u>	<u>13,15,736</u>
B CASH FROM INVESTING ACTIVITIES		
Purchase of Fixed assets	(1,53,42,642)	(9,12,723)
Sale of Fixed Assets	—	—
Acquisition of companies	—	—
Purchase of investments	—	—
Sale of investments	—	—
Interest Received	—	—
Central Subsidy Received	—	—
Net Cash used in investing activities	<u>(1,53,42,642)</u>	<u>(9,12,723)</u>
C CASH FLOW FROM FINANCING ACTIVITIES		
Conversion of Unsecured Loans into Preference Shares	—	—
Conversion of Unsecured Loans into Equity Shares	56,88,13,400	—
Proceeds from long term borrowings	(41,40,87,088)	11,02,18,662
Repayment of finance / lease liabilities	(6,66,20,207)	(9,83,62,142)
NET CASH USED IN FINANCING ACTIVITIES	<u>8,81,06,105</u>	<u>1,18,56,520</u>
Net increase in cash and cash equivalents	79,35,415	1,22,59,533
Cash and Cash equivalents as at 01.04.2007	1,41,30,537	18,71,004
Cash and Cash equivalents as at 31.03.2008 (Closing balance)	<u>2,20,65,952</u>	<u>1,41,30,537</u>

As per our report of even date

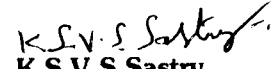
For & On behalf of the Board

For C.B.Mouli & Associates

Chartered Accountants


M. Premchand

Partner


K S V S Sastry
Company Secretary


P. Maruthi Babu
Director


T.V. Sandeep Kumar Reddy
Chairman

Place : Hyderabad

Date : 24.05.2008

SCHEDULES FORMING PART OF ACCOUNTS

PARTICULARS	As At 31st March 2008 Rs.	As At 31st March 2007 Rs.
SCHEDULE 1		
SHARE CAPITAL		
Authorised Capital		
5,10,00,000 Equity Shares of Rs.10/- each (Previous Year 3,00,00,000 Equity Shares Rs.10/- each)	51,00,00,000	30,00,00,000
39,00,000 Preference Shares of Rs.100/- each (Previous Year Nil)	39,00,00,000	—
Issued,Subscribed & Paid up		
4,33,99,990 Equity shares of Rs.10/- each fully paid up Previous Year 1,45,00,000 Equity shares of Rs.10/- each fully paid up	43,39,99,900	14,50,00,000
38,38,135 Preference Shares of Rs.100/- each fully paid up (Previous Year Nil)	38,38,13,500	—
	81,78,13,400	14,50,00,000
SCHEDULE 2		
RESERVES AND SURPLUS		
Central Subsidy	10,00,000	10,00,000
	10,00,000	10,00,000
SCHEDULE 3		
SECURED LOANS		
A Term Loans		
Oriental Insurance Co.Ltd	—	38,00,000
Industrial Inv.Bank of India	—	3,00,00,000
	—	3,38,00,000
B Interest Accrued and Due on Term Loans	—	10,70,37,153
C Term Loans - Vehicles	8,53,817	1,85,123
	8,53,817	14,10,22,276
SCHEDULE 4		
UNSECURED LOANS		
From Directors and Promoter shareholders	1,00,02,155	32,49,19,895
From Others	—	9,91,69,348
	1,00,02,155	42,40,89,243

**SCHEDULE - 5
FIXED ASSETS**

S. NO.	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		AS AT 31-Mar-07 Rs.	Additions during the Year Rs.	DELE-TIONS Rs.	AS AT 31-Mar-07 Rs.	F.T.PENDED 31-Mar-08 Rs.	DELE-TIONS Rs.	AS AT 31-Mar-08 Rs.	AS AT 31-Mar-07 Rs.	AS AT 31-Mar-08 Rs.
1	Land	1,10,61,986	2,48,700	—	1,13,10,686	—	—	1,13,10,686	1,10,61,986	1,13,10,686
2	Buildings	14,95,74,013	7,64,331	—	15,03,38,344	—	5,13,74,261	9,89,64,083	10,32,12,859	9,89,64,083
3	Plant and Machinery	41,54,11,601	1,23,25,562	—	42,77,37,163	—	22,96,60,400	19,80,76,763	20,78,77,206	19,80,76,763
4	Computers	23,82,171	2,27,500	—	26,09,671	—	23,81,749	2,27,922	33,550	2,27,922
5	Office Equipment	20,87,584	1,54,584	—	22,42,168	—	11,46,793	10,95,375	10,44,113	10,95,375
6	Furniture & Fittings	25,54,685	44,942	—	25,99,627	—	19,87,934	6,11,693	7,29,748	6,11,693
7	Air Conditioners	3,82,357	—	—	3,82,357	—	1,97,769	1,84,588	2,02,800	1,84,588
8	Vehicles	35,18,572	19,30,542	(5,95,925)	48,53,189	(1,95,896)	29,51,332	19,01,857	4,88,412	19,01,857
	Total	58,69,72,969	1,56,96,161	(5,95,925)	60,20,73,205	(1,95,896)	28,97,00,238	31,23,72,967	32,46,50,674	31,23,72,967
	Capital work in progress	26,98,571	2,42,406	—	29,40,977	—	—	29,40,977	26,98,571	29,40,977
	Grand Total	58,96,71,540	1,59,38,567	(5,95,925)	60,50,14,182	(1,95,896)	28,97,00,238	31,53,13,944	32,73,49,245	31,53,13,944
	Previous year	58,87,58,817	9,12,723	—	58,96,71,540	—	26,23,22,295	32,73,49,245	35,38,83,386	32,73,49,245

Gayatri BioOrganics Limited

PARTICULARS	As At 31st March 2008 Rs.	As At 31st March 2007 Rs.
SCHEDULE 6		
INVESTMENTS (LONG TERM)		
Trade (Quoted)-Fully paid shares (at cost)		
Face No.of Value shares		
East,West Travel & Trade links 10 7,100	2,84,000	2,84,000
S.S.Organics Ltd 10 3,000	30,000	30,000
Sri Lakshmi Engg.Ltd 10 1,000	26,900	26,900
	3,40,900	3,40,900
Less: Prov.for Diminution	3,25,900	3,19,360
TOTAL	15,000	21,540
Market value of quoted shares RS.15,000.00 (Previous year Rs.21,540.00)		
SCHEDULE 7		
INVENTORIES		
(As Valued and certified by the Management)		
Raw Material	1,57,34,518	1,15,74,861
Stores and Spares	35,17,763	30,26,866
Work In Process	51,08,699	35,29,728
Finished Goods	1,39,83,463	49,19,883
	3,83,44,443	2,30,51,338
SCHEDULE 8		
SUNDRY DEBTORS		
(Unsecured and considered good)		
Outstanding for a period exceeding 6 months	—	—
Others	3,98,89,883	2,89,14,952
Debts Considered bad & doubtful	68,03,426	65,26,793
	4,66,93,309	3,54,41,745
Less: Prov.for doubtful Debts	68,03,426	65,26,793
	3,98,89,883	2,89,14,952
SCHEDULE 9		
CASH AND BANK BALANCES		
Cash on Hand	6,39,855	6,06,850
Balances with Scheduled Banks - in current account	2,14,26,097	1,35,23,687
	2,20,65,952	1,41,30,537

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PARTICULARS	As At 31st March 2008 Rs.	As At 31st March 2007 Rs.
SCHEDULE 10		
DEPOSITS		
Deposits with Govt Institutions	42,21,026	42,21,026
Other Deposits	5,68,649	5,68,649
Deposits with Central Excise (including Cenvat credits)	10,99,923	7,50,893
	<u>58,89,598</u>	<u>55,40,568</u>
Less: Considered Doubtful	5,10,000	5,10,000
	<u>53,79,598</u>	<u>50,30,568</u>
SCHEDULE 11		
LOANS AND ADVANCES		
(Unsecured considered Good)		
Advances recoverable in Cash or in kind or for value to be received	53,64,799	51,66,230
Less:Prov.for doubtful advances	37,83,309	37,83,309
	<u>15,81,490</u>	<u>13,82,921</u>
SCHEDULE 12		
CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities		
Deposits/Advances received	14,21,685	57,000
Sundry Creditors		
- For Capital Goods	59,72,691	70,59,082
- For Raw Material	2,18,68,780	6,58,80,587
- For Expenses	40,74,324	46,13,422
Others	1,30,27,851	1,40,72,648
	<u>4,63,65,331</u>	<u>9,16,82,739</u>
SCHEDULE 13		
SALES		
Sales - Local	42,21,01,964	33,04,24,424
	<u>42,21,01,964</u>	<u>33,04,24,424</u>
SCHEDULE 14		
OTHER INCOME		
Interest others(TDS-Rs.75,483/-,Pr.Yr.Rs.43,016/-)	2,40,821	2,05,718
Miscellaneous Income	54,06,456	35,59,761
Miscellaneous Credit Balances W.off	—	83,50,222
	<u>56,47,277</u>	<u>1,21,15,701</u>

Gayatri BioOrganics Limited

PARTICULARS	As At 31st March 2008 Rs.	As At 31st March 2007 Rs.
SCHEDULE 15		
INCREASE/(DECREASE) IN CLOSING STOCKS OF FG & WIP		
Opening Stock	84,49,611	56,27,920
Closing stock	1,90,92,162	84,49,611
	<u>1,06,42,551</u>	<u>28,21,691</u>
SCHEDULE 16		
RAWMATERIALS CONSUMED		
Starch	68,511	10,79,839
Maize	25,22,04,825	19,43,31,489
Others	1,29,15,668	71,35,199
	<u>26,51,89,004</u>	<u>20,25,46,527</u>
SCHEDULE 17		
MANUFACTURING EXPENSES		
Power and Fuel	6,38,02,366	4,61,55,594
Repairs & Maintenance	82,73,349	1,04,64,270
Material Handling Charges	31,88,209	29,42,067
	<u>7,52,63,924</u>	<u>5,95,61,931</u>
SCHEDULE 18		
ADMINISTRATIVE EXPENSES		
Salaries & Wages	2,81,43,766	2,25,91,943
Insurance	11,75,161	12,47,869
Rent,Rates & Taxes	41,39,932	3,35,283
Listing Fee	1,19,872	52,448
Vehicle Hire & Maintenance	11,57,441	9,01,022
Conveyance & Travelling	4,99,846	4,38,696
Directors sitting fee	58,000	28,000
Printing & Stationery	2,67,541	2,34,123
Post,Telephone & Telex	4,33,009	4,04,938
Miscellaneous Expenditure	49,93,218	33,27,554
Legal & Professional Charges	40,28,364	33,67,950
Subscription, Books & Periodicals	25,317	23,665
Staff Welfare	15,13,911	6,31,541
AGM expenses	4,38,278	1,64,876
Donations	2,05,000	—
Prov.for Bad & Doubtful Debts	2,76,633	65,26,793
Prov.for Bad & Doubtful Advances	—	37,83,309
Prov.for Diminution In Investments	6,540	3,19,360
Prov.for Doubtful Deposits	—	5,10,000
Loss on Sale of Fixed Assets	1,23,003	—
Statutory Auditors Fee		
For Statutory Audit	75,000	75,000
For Tax Audit	25,000	25,000
	<u>4,77,04,832</u>	<u>4,49,89,370</u>

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PARTICULARS	As At 31st March 2008 Rs.	As At 31st March 2007 Rs.
SCHEDULE 19		
SELLING AND DISTRIBUTION EXPENSES		
Packing Material	1,69,44,686	97,63,933
Transportation	50,70,434	30,73,919
Commission & Discounts	48,22,306	43,35,956
	<u>2,68,37,426</u>	<u>1,71,73,808</u>
SCHEDULE 20		
FINANCE CHARGES		
Interest on Term Loans	—	65,50,000
Bank Charges	2,22,207	4,12,120
Interest Vehicle Loans	35,982	—
Interest Others	7,26,757	14,82,674
	<u>9,84,946</u>	<u>84,44,794</u>
SCHEDULE 21		
PRIOR PERIOD AND EXTRAORDINARY ITEMS		
- Term liabilities and Working Capital loans of Banks/ FIs Written off under OTS.	7,35,41,715	21,55,66,967
- Prov. for Gratuity of Earlier Years	—	(12,22,327)
- Prov. for Leave Encashment of Earlier Years	—	(6,63,132)
	<u>7,35,41,715</u>	<u>21,36,81,508</u>

NOTES TO THE ACCOUNTS

1 SIGNIFICANT ACCOUNTING POLICIES

- (a) **System of Accounting:** The financial statements are prepared under the historical cost convention and on an accrual basis.
- (b) **Fixed Assets:** Fixed Assets are recorded at cost less depreciation. Cost includes all costs incidental to acquisition. Installation, commissioning and related preoperative expenses including interest paid on funds borrowed during construction period.
- (c) **Capital Work in Progress:** Advances paid towards the acquisition of Fixed Assets and the direct expenses pertaining to the cost of the assets, not put to use before the year end are disclosed under Capital Work in progress.
- (d) **Depreciation:** Depreciable assets are written off on straight line method in terms of Schedule XIV to the companies Act, 1956.
- (e) **Inventory:** Raw material, Work in Process, and Stocks & Spares are valued at cost on FIFO basis while finished goods are valued at lower of cost or net realisable value inclusive of excise duty. By products are valued at net realisable value.
- (f) **Investments :** Investments are valued at cost or market price whichever is lower.
- (g) **Foreign Currency Transactions:** Foreign Exchange transactions are accounted at contract rates when covered by forward contracts or at the prevailing rates on the date of the transactions where such transactions are not covered by forward contracts, in such cases exchange fluctuations are accounted at the time of realisation/payment.
- (h) Sales are inclusive of freight and Excise duty .
- (i) Leave encashment and gratuity to the employees is accounted on accrual basis based on Actuarial valuation and not funded.
- 2 Vehicle Term Loans from Banks/Finance Companies are secured by a way of hypothecation. The Company has no other Term loans / Working Capital facilities as on date.

	As at	As at
3 Contingent Liabilities:	31.03.08	31.03.07
not provided for	Rs. In lakhs	Rs. In lakhs
Claims against the company not acknowledged as debts	868.47	832.85

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4 Additional Information as required pursuant to para 3 & 4 of Part II of Schedule VI of the Companies Act, 1956.

a Particulars regarding Capacity In MTs

	31.03.08		31.03.07	
	Sorbitol 70%	Starch	Sorbitol 70%	Starch
i Licenced Capacity	NA	NA	NA	NA
ii Installed Capacity	8550	*45000	8550	*45000
iii Actual Production				
Sorbitol	3,846.53		1,796.56	
Starch		18,084.95		14,738.00
Starch Slurry (For Captive Consumption)		3,586.82		2,892.36
Starch Byproducts		7,760.15 **		6,980.04
Liquid Glucose		307.50		1,356.07

The Figures for installed capacity are as Certified by the Management and not verified by the Auditors this is being a technical matter.

* In case of Starch installed capacity , the figures given are the Maize Crushing Capacity.

** In case of Starch By products the production figures given are on dry basis.

	31.03.08		31.03.07	
	Qty in mt	Rs. In lakhs	Qty in mt	Rs. in lakhs
b Stocks and Turnover				
i Opening Stock				
Sorbitol	169.97	41.50	2.76	0.58
Liquid Glucose	—	—	7.80	0.87
Starch	21.70	3.26	3.30	0.37
Starch by products **	29.89	4.43	17.32	2.25
ii Sales				
Sorbitol	3,776.67	991.17	1,629.35	528.40
Liquid Glucose	307.50	54.61	1,363.87	217.94
Starch	17,576.65	2,502.75	14,719.60	2,100.58
Starch by products **	7,771.92	672.49	6967.47	457.32
iii Closing Stock				
Sorbitol	239.83	63.12	169.97	41.50
Starch	530.00	72.70	21.70	3.26
Starch by products **	18.12	4.02	29.89	4.43
iv Consumption of Raw Material				
Starch	5.92	0.69	94.08	10.80
Chemical & Others	—	129.16	—	71.35
Maize	34,218.12	2,522.05	28,831.19	1,943.31

Gayatri BioOrganics Limited

	31.03.08		31.03.07	
	Qty in mt	Rs. In lakhs	Qty in mt	Rs. in lakhs
i) C I F Value of Imports				
Raw Material	—	—	—	—
Capital Goods	—	—	—	—
(ii) Details of Imported & Indigenous Raw material consumed				
	%	Rs. In lakhs	%	Rs. In lakhs
Imported	—	—	—	—
Indigenous	100.00	2,651.89	100.00	2,025.47
		<u>2,651.89</u>		<u>2025.47</u>
d Expenditure in Foreign currency (on payment basis)				
Capital Goods		—		—
Raw Material		—		—
Travelling & Subscription		—		—
e. Earnings in Foreign Currency.				
FOB Value of Exports		—		—
		For the year ended 31.03.08		For the year ended 31.03.07
5 Remuneration to Auditors				
a. Statutory Audit fee		75,000.00		75,000.00
b. Tax Audit fee		25,000.00		25,000.00
6 The company has made an Earnest money deposit of Rs.5.00 lacs during 1993-94 with AP Co-operative marketing Federation Ltd(markfed) under a tender floated by them for supply of Di-ammonium Phosphate to M/s Godavari Fertilisers & Chemicals Ltd, who have failed to open Letter of Credit and forfeited the EMD. Company filed a suit for appointment of Arbitrator and prayed for recovery of EMD and cost of suit and the same is pending.Provision for this amount is made in the books of accounts.				
7 Amount outstanding to SSI units at the end of the year is Rs.19.76 lakhs (previous year Rs.26.92 lakhs), of this the amount exceeding Rs.1,00,000/- and outstanding for more than 30 days is Rs.15.67 lakhs (previous year Rs.22.26 lakhs).				
8 The company by virtue of interim orders dated 06.06.07 and 07.09.07 received from Hon'ble BIFR and resolutions passed by shareholders in EGM held on 12.09.07, allotted 1,04,00,000 equity shares @ Rs.10/- each and 38,38,135 preference shares @ Rs. 100/- each to the promoters and their associates by conversion of unsecured loans. Further 1,84,99,990 equity shares @ Rs. 10/- each allotted to M/s. Fursa Mauritius on 11.10.07 and 31.10.07.				

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9 Balances under Sundry Creditors, Debtors , Loans and Advances and Term Loans are subject to confirmation.

10 Segment Reporting Accounting Standard - 17

Segment Reporting as per Accounting Standard - 17, issued by the Institute of Chartered Accountants of India is as under.

SEGMENT INFORMATION FOR THE YEAR ENDED 31st MARCH 2008 INFORMATION ABOUT PRIMARY BUSINESS SEGMENTS

	Sorbitol	Starch	Dextrose and Liquid Glucose	Eliminations	Consolidated
Revenue					
External Revenue	843.66	3175.24	54.61	4073.50	
Intersegment Revenue	0.00	354.30	(354.30)	-	
Total Revenue	843.66	3529.54	54.61	(354.30)	4073.50
Result					
Segment Result	(31.06)	27.27	(2.00)		(5.79)
Un-allocated Expenditure Net of Un-allocated Income					(183.86)
Operating Profit					(189.65)
Interest Expenses - Un Allocated					(9.49)
Taxation For The Year - Fbt					(1.59)
Profit after Taxation and Before Exceptional Items					(200.73)
Exceptional Items-Incomeand Expenditure (Segment)					735.42
Exceptional Items-incomeand Expenditure (unallocated/Corporate)					—
— Tax Credit					—
Net Profit					534.68
Other Information					
Segment Assets	3,027.32	2,981.41	12.00		6020.73
Unallocated Corporate Assets					1072.76
Total Assets					7093.50
Segment Liabilities	—	—	—		—
Unallocated Corporated Liabilities					563.67
Total Liabilities					563.67
Capital Expenditure	2.90	154.06	—		156.96
Depreciation	1,730.00	1,166.37	0.63		2,897.00
Non-cash Exp. Other Than Depreciation	—	—			—

11 Related parties Transaction - Accounting Standard - 18

The company has obtained interest free un-secured loans from Director and Promoter Shareholders, the details of the amount due are given in schedule no.4.

Gayatri BioOrganics Limited

12 Leases - Accounting Standard - 19

The company has not entered into with financial or operating Lease agreements during the year.

13 Earning per Share - Accounting Standard - 20

	Year Ended 31.03.2008	Year Ended 31.03.2007
Profit/(Loss) after Tax, excluding Extraordinary items (Rs.In Lakhs)	(199.14)	(258.37)
Nos of Paid Up Equity Shares (in Lakhs) - Wtd.Average for 07-08	281.09	145.00
Basic and Diluted Earning per Share	(0.71)	(1.78)

14 Deferred Taxation - Accounting Standard - 22

Since the company has substantial carried forward losses and unabsorbed depreciation, also, in the absence of virtual certainty of having taxable income in future, no deferred tax asset has been recognised as envisaged in Accounting Standard-22(AS-22) on taxes on income issued by the Institute of Chartered Accountants of India (ICAI).

15 Impairment of Assets - Accounting Standard - 28

Based on the valuation report obtained by the management on fixed assets of the company, there are no impaired assets requiring provision as envisaged in Accounting Standard 28 issued by ICAI.

16 The extraordinary item of Rs.7,35,41,715/- under schedule no.21 represents the amount written off towards liability of OIC, IIBI and Escorts finance under One Time Settlement (OTS) scheme sanctioned and implemented by the respective financial institutions/Cos during the year. The scheme envisaged waiver of 50% of principle by Fin.Institutions and 100% of interest due. There is no outstanding of dues to FIs/Banks except vehicle loans as on date.

17 In the absence of taxable income, no provision has been made for Income Tax. However provision for Fringe Benefit Tax has been made.

18 Previous year's figures have been regrouped /rearranged wherever considered necessary.

19 Figures have been rounded off to the nearest rupee.

As per our report of even date

For & On behalf of the Board


For C.B.Mouli & Associates

Chartered Accountants


M.Premchand
Partner


K S V S Sastry
Company Secretary


P.Maruthi Babu
Director


T.V.Sandeep Kumar Reddy
Chairman

Place : Hyderabad
Date : 24.05.2008

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ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956. FOR THE YEAR ENDED 31st MARCH, 2008

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No	:	13512	State Code	:	01
Balance Sheet Date	:	31-Mar-08			

II Capital raised during the year (Amt in Rs.Thousands)

Public Issue	:	NIL	Rights Issue	:	NIL
Bonus issue	:	NIL	private placement	:	NIL

III Position of Mobilisation and Deployment of Funds

(Amt in Rs.Thousands)

Total Liabilities	:	8,21,669	Total Assets	:	8,21,669
Source of funds					
Paid-up Capital	:	8,17,813	Reserves & Surplus	:	1000
Secured Loans	:	854	Unsecured Loans	:	10,002
Application of Funds					
Net Fixed Assets	:	3,15,314	Investments	:	15
Net Current Assets	:	60,896	Misc.Expenditure	:	—
Accumulated Loss	:	4,53,444			

IV Performance of company (Amt in Rs.Thousands)

Turnover	:	4,22,102	Total Expenditure	:	3,84,764
Profit (Loss) Before Tax	:	(19,914)	Profit (Loss) After Tax	:	(20,073)
Earning Per Share	:	(0.71)	Dividend @ %	:	NIL

V Generic names of Three principal products /services of companies (as per monetary terms) Item Code No. (ITC CODE)

Product Description

D-GLUCITOL (SORBITOL)	2905.44
DEXTROSE	1702.29
STARCH	1103.00

GAYATRI BIOORGANICS LIMITED

6-3-1090/C/A/1, 1st Floor Lovely Mansion, Rajbhavan Road, Somjiguda, Hyderabad – 500 082.
Ph: 66100111/66100222, Fax: 66100333, E-mail: info@gayatribioorganics.com

ATTENDANCE SLIP

SLIP DULY FILLED IN TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL

Regd Folio No:

No. of Shares held

SHAREHOLDER'S NAME: Mr /Mrs/Miss.....
(In Block Capitals)

IN CASE OF PROXY
NAME OF THE PROXY : Mr/ Mrs/Miss.....

I Certify that I am a Registered Shareholder / Proxy for the Registered Shareholder of the Company.

I hereby record my presence at the 17th Annual General Meeting of the Company to be held **on Wednesday, The 24th September, 2008 at 3.00 P.M.** at **"SURANA UDYOG AUDITORIUM, 'FAPCCI' Building Federation House, H.No. 11-6-841, Red Hills, Hyderabad – 500 004.**

Member's / Proxy's Signature

- Notes: 1. Please bring this Attendance Slip when you are attending the Meeting.
2. Please do not bring with you any person who is not a member of the Company

GAYATRI BIOORGANICS LIMITED

6-3-1090/C/A/1, 1st Floor Lovely Mansion, Rajbhavan Road, Somjiguda, Hyderabad – 500 082.
Ph: 66100111/66100222, Fax: 66100333, E-mail: info@gayatribioorganics.com

PROXY

Regd Folio No:

No. of Shares held

I / We.....of.....

being a member / member(s) of the GAYATRI BIOORGANICS LIMITED do hereby appoint

Sri / Smt.....of

.....or failing him / her Sri / Smt.....

of as my / our proxy to attend and vote for me / us on my / our behalf at the 17th Annual General Meeting of the Company to be held on **on Wednesday, The 24th September, 2008 at 3.00 P.M.** at any adjournment thereof.

Signed this.....day of.....2008.

Affix
Revenue
Stamp

Signature of the Shareholder/s _____

Note : The Proxy form duly completed must be deposited at the Regd.Office of the Company not less than 48 hours before the time for holding the Meeting.

**PRINTED MATTER
BOOK - POST**

If undelivered, please return to:



BioOrganics Limited

(Formerly Gayatri Starchkem Limited)

6-3-1090/C/A/1, 1st Floor, Lovely Mansion,
Rajbhavan Road, Somajiguda,
HYDERABAD – 500 082.

Ph : 66100111 / 66100222, Fax : 66100333

E-mail: info@gayatribioorganics.com