

EXTRACT OF THE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF BALAJI AGRO OILS LIMITED HELD ON 30TH OCTOBER 2003 AT 10:00 AM AT THE REGISTERED OFFICE OF THE COMPANY AT D.NO.74-2-19, OLD CHECK POST CENTRE, KRISHNA NAGAR, VIJAYAWADA.

Process of Sale of Carbon credits:

"RESOLVED to take necessary approvals and follow the guidelines as required by the UNFCCC of CDM project to get the carbon credits.

"RESOLVED FURTHER TO authorize Mr. V.Suraj Kumar, Joint Managing Director and Mr. V.Balaji Joint Managing Director of company to sign and process all required documents for the sale of Carbon credits. Mr. Suraj Kumar informed to the Board the processing of CDM project will be done by our Staff.

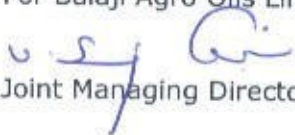
CURRENT ACCOUNT WITH LAKSHMI VILAS BANK LIMITED:

"RESOLVED to close the current account being held with Lakshmi Vilas Bank Limited, Secunderabad due to operative difficulties and Mr.V.Suraj Kumar, Joint Managing Director is authorized to undertake necessary acts on behalf of the Company in this regard."

Sd/-
Chairman of the Meeting

CERTIFIED TO BE TRUE COPY

For Balaji Agro Oils Limited


Joint Managing Director



Gno-7160

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF M/s BALAJI AGRO OILS LIMITED HELD ON 30/10/2003 AT THE REGD. OFFICE OF THE COMPANY AT 10:00 AM.

PRESENT :

1. V.VENKATARAMAIAH
CHAIRMAN
2. V.BALAJI
JOINT MANAGING DIRECTOR
3. V.SURAJ KUMAR
JOINT MANAGING DIRECTOR
4. Ch.S.R.C.MURTHY
DIRECTOR
5. G.KAMALESH
DIRECTOR
6. M.KESAVA REDDY
DIRECTOR

CHAIRMAN OF THE MEETING:

Sri.V.Venkataramaiah took over the chair. An initialed copy of the Balance sheet as at 30/09/2003 and Profit & Loss Account for the period ended 30/09/2003 was placed before the meeting for adoption. An copy of the Requests received by the Company from M/s Srihitha Refineries Limited and M/s Rajyalakshmi Modern Rice Mill Contractors Company for extension of Corporate by way of creation of II charge on the fixed assets of the company in favour of their lender of working capital facilities M/s State Bank of India, Patamata Branch along with copies of their sanction letters for Rs.125 Lakhs & Rs.170 Lakhs respectively. Chairman of the meeting initialed the above copies for the purpose of identification.

MINUTES OF THE LAST MEETING

The signed minutes of the last meeting were placed before the meeting and were read by the chairman. The minutes were then adopted.

ADOPTION OF ACCOUNTS:

"RESOLVED THAT Balance Sheet as at 30/09/2003 and the Profit and Loss Account for the period ended 30/09/2003 (both tabled at the meeting and initialed by the chairman for purposes of identification) as laid before the company at this meeting be and are hereby adopted."

PUBLISHING OF RESULTS:

"RESOLVED FURTHER THAT Mr.V.Suraj Kumar, Joint Managing Director be and is hereby directed to cause to publish the approved results for the period ended 30/09/2003 in two news papers one being English and one being Telugu within 48 hours from the meeting."

Process of Sale of Carbon credits:

"RESOLVED to take necessary approvals and follow the guidelines as required by the UNFCCC of CDM project to get the carbon credits.

"RESOLVED FURTHER TO authorize Mr. V.Suraj Kumar, Joint Managing Director and Mr. V.Balaji Joint Managing Director of company to sign and process all required documents for the sale of Carbon credits. Mr. Suraj Kumar informed to the Board the processing of CDM project will be done by our Staff.

CURRENT ACCOUNT WITH LAKSHMI VILAS BANK LIMITED:

"RESOLVED to close the current account being held with Lakshmi Vilas Bank Limited, Secunderabad due to operative difficulties and Mr.V.Suraj Kumar, Joint Managing Director is authorized to undertake necessary acts on behalf of the Company in this regard."

CORPORATE GUARANTEE:

"RESOLVED TO extend corporate guarantee by way of II charge on fixed assets of the company in favour of M/s State Bank of India, Patamata Branch for the working capital borrowings(OCC) of M/s Srihitha Refineries Limited, Vijayawada for an amount of Rs.125 lakhs."

"RESOLVED FURTHER TO apply to the Central Government U/s 295 of the Companies Act,1956 for permission to extend guarantee to M/s Srihitha Refineries Limited, a company in which the directors are interested, for its working capital loan of Rs.125 lakhs to be advanced by State Bank of India, Patamata."

"RESOLVED TO extend corporate guarantee by way of II charge on fixed assets of the company in favour of M/s State Bank of India, Patamata Branch for the working capital borrowings(OCC) of M/s Rajyalakshmi Modern Rice Mill Contractors Company, Vijayawada for an amount of Rs.170 lakhs."

"RESOLVED TO apply to the Central Government U/s 295 of the Companies Act,1956 for permission to extend guarantee to M/s Rajyalakshmi Modern Rice Mill Contractors Company, a firm in which the directors are interested, for its working capital loan of Rs.170 lakhs to be advanced by State Bank of India, Patamata."

"RESOLVED FURTHER TO authorize Mr.V.Suraj Kumar, Joint Managing Director to apply to the central government on behalf of the company in the prescribed format and to cause all such acts necessary in connection therewith."

As per the application submitted to the State Bank of India for the working capital limit of 460 Lacks to Solvent Division and 115 Lacks to Power Division In connection with submitting of various credit facilities to the Company was placed before the meeting and after consideration thereof IT WAS RESOLVED that the Company do obtain various credit facilities either in Indian or foreign currencies to the tune of Rs.875 Lakhs (total of all advance limits) by way of overdrafts, cash credits, term loans, pre-shipment and post-shipment credit, opening of letters of credit, issuing of guarantees, including deferred payment guarantees and indemnities, negotiation and discounting of demand and/or usance bills and cheques inland as well as foreign and such other facilities as may be agreed

upon from time to time between the Bank and the Company. Secured by hypothecation/pledge of the Company's entire goods, movables and other assets, present and future, including documents of title to goods and other assets such as book-debts, out-standing moneys, receivables, claims, bills, invoices, documents, contracts, engagements, securities, investments and rights

and all machinery, present and future, and further secured by deposit of all title deeds of the existing immovable properties of the Company with intent to create a security thereon in favour of the Bank or mortgage by way of first legal Mortgage in English form of the existing immovable properties of the Company. AND guarantees of Shri Vallabhaneni Balaji and Vallabhaneni Suraj Kumar, on such terms and conditions as may be specified by the Bank.

FURTHER RESOLVED to request Shri Vallabhaneni Venkataramaiah, Vallabhaneni Balaji, Vallabhaneni Suraj Kumar and Vallabhaneni Venkata Subbamma to furnish the required guarantees to the Bank for the various credit facilities granted to the Company.

FURTHER RESOLVED that Shri V.Suraj Kumar a Director of the Company is hereby authorized to appear at the Bank and deposit all the title deeds of the Company's. That the said deposit has been made with intent to create security by way of mortgage thereon in favour of the Bank.

FURTHER RESOLVED that the enclosed security documents, received under cover of the Bank's aforementioned letter and which have been placed before the meeting be and are hereby approved for execution by the Company in accordance with the Articles of Association of the Company.

FURTHER RESOLVED that Shri V.Suraj Kumar a Director of the Company of the Society be and is hereby authorized to execute the necessary security documents including revival letter required by the Bank in this connection and that the common seal of the Company be affixed wherever necessary in the presence of Shri Vallabhaneni Venkataramaiah, Vallabhaneni Balaji and Vallabhaneni Suraj Kumar Director(s) of the Company in terms of Articles of Association of the Company.

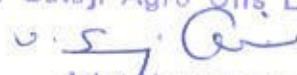
VOTE OF THANKS:

There being no other business the meeting concluded with a vote of thanks to the chair.

Dated : 30/10/2003

CHAIRMAN

For Balaji Agro Oils Limited


Joint Managing Director

Attended

G. Mahesh

Q.No. 7160



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