

30th May 2011

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To

Madras Stock Exchange Ltd
No.11, Second Line Beach
Chennai 600 001.

Dear Sir,

We wish to inform you that our Board has recommended for the enhancement of remuneration to our Mr.A.Ravikumar Reddy, Managing Director and Mrs A Nina Reddy, Executive Director (Operations) at their Board Meeting held on 14th May 2011. Accordingly the notice along with the Postal Ballot Form has been despatched to all the shareholders of the company to exercise their vote.

Mr.R.Balasubramanian, a practicing company secretary is appointed as Scrutinizer to conduct the postal ballot. The results will be declared on 6th July 2011 at the registered office of the company.

In compliance with clause 31 (c) of the Listing Agreement entered into with Stock Exchanges, we are sending 3 copies of the Notice of Postal Ballot on the ~~capital~~ subject. *③ captioned*

Thanking you,

Yours faithfully,
For Savera Industries Ltd

N S MOHAN
Company Secretary & Chief Financial officer.

Encl : as above.



SAVERA INDUSTRIES LIMITED

Regd. Office: No.146, Dr. Radhakrishnan Road, Chennai 600 004.

NOTICE TO THE MEMBERS OF THE COMPANY

Notice pursuant to Section 192A(2) of the Companies Act 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001.

NOTICE is hereby given that the following resolutions in respect of enhancement of remuneration to Managing Director and Executive Director (Operations) pursuant to the provisions of Section 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, are proposed to be passed as Ordinary Resolution by means of Postal Ballot, as recommended by the Board of Directors at its meeting held on 14th May, 2011.

Accordingly, the Ordinary Resolutions and the Explanatory Statement are being sent to you for your consideration, along with the Postal Ballot Form.

The Board of Directors has appointed Mr.R.Balasubramaniam, B.A., B.L., F.C.S., Practicing Company Secretary, as the Scrutinizer for conducting the Postal Ballot voting process.

Please read carefully the instructions printed in the Postal Ballot Form and return the form completed and signed in the enclosed pre-paid self-addressed envelope so as to reach the Scrutinizer on or before the close of working hours on 1st July, 2011.

The Scrutinizer, after completion of scrutiny will submit his report to the Managing Director of the Company. The Managing Director will declare the results of the Postal Ballot on 6th July, 2011 at 11.00 A.M at the Registered Office of the Company.

By Order of the Board
For Savera Industries Limited

Place : Chennai
Date : 14/05/2011

Sd/-
N.S.Mohan
Company Secretary & CFO

SPECIAL BUSINESS

ITEM NO.1 : ENHANCEMENT OF REMUNERATION TO MR.A.RAVIKUMAR REDDY

To consider and if thought fit, to pass the following resolution, as an Ordinary Resolution:

"In supersession of the ordinary resolution passed at 41st Annual General Meeting of the company held on 25th Sep. 2010, it is **RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the company hereby accords to the payment of remuneration to Sri.A.Ravikumar Reddy, Managing Director of the Company with effect from 1st July, 2011, as set out hereunder, subject to an overall limit of 5% of the net profits of the company for each financial year computed in the manner prescribed in Sections 349 and 350 of the Companies Act, 1956, for the remaining period i.e. up to 31.01.2014.

Consolidated Salary per month	₹.2,50,000/-
Contribution to PF	As per company rules
Gratuity	As per company rules
Telephones	Provision of Telephone for Official Use
Car	Provision of car with Chauffeur for office use
Commission on Net Profits	Remuneration by way of commission up to a maximum of 1% shall be paid in addition to the above. The amount of it, based on the net profits of the company in a particular year, shall be subject to the overall ceilings laid down in sections 198 and 309 of the Companies Act, 1956

RESOLVED FURTHER THAT notwithstanding anything contained above, where, in any financial year during the currency of the tenure of the Managing Director, the company has no profits or its profits are inadequate, it may pay him remuneration by way of salary and perquisites and commission equivalent to the maximum permissible limit under Schedule XIII of the Companies Act, 1956 or any statutory modifications or re-enactments thereof.

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to vary or increase the remuneration and perquisites including the monetary value thereof as specified above, to the extent the Board of Directors may, consider appropriate, as may be permitted or authorized in accordance with any provision under the Companies Act, 1956 or Schedules appended thereto, for the time being in force or any statutory modification or reenactment thereof and/or any rules or regulations thereunder".

ITEM NO.2 : ENHANCEMENT OF REMUNERATION TO MRS.A.NINA REDDY

To consider and if thought fit, to pass the following resolution, as an Ordinary Resolution:

"In supersession of the ordinary resolution passed at 41st Annual General Meeting of the company held on 25th Sep. 2010 it is RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the company hereby accords to the payment of remuneration to Smt.A.Nina Reddy, Executive Director (Operations) of the Company with effect from 1st July 2011, as set out hereunder, subject to an overall limit of 5% of the net profits of the company for each financial year computed in the manner prescribed in Sections 349 and 350 of the Companies Act, 1956, for the remaining period.

Consolidated Salary per month	₹.2,50,000/-
Contribution to PF	As per company rules
Gratuity	As per company rules
Telephones	Provision of Telephone for Official Use
Car	Provision of car with Chauffeur for office use
Commission on Net Profits	Remuneration by way of commission up to a maximum of 1% shall be paid in addition to the above. The amount of it, based on the net profits of the company in a particular year, shall be subject to the overall ceilings laid down in sections 198 and 309 of the Companies Act, 1956

RESOLVED FURTHER THAT notwithstanding anything contained above, where, in any financial year during the currency of the tenure of the Executive Director (Operations) the company has no profits or its profits are inadequate, it may pay him remuneration by way of salary and perquisites and commission equivalent to the maximum permissible limit under Schedule XIII of the Companies Act, 1956 or any statutory modifications or re-enactments thereof.

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to vary or increase the remuneration and perquisites including the monetary value thereof as specified above, to the extent the Board of Directors may, consider appropriate, as may be permitted or authorized in accordance with any provision under the Companies Act, 1956 or Schedules appended thereto, for the time being in force or any statutory modification or reenactment thereof and/or any rules or regulations thereunder"

NOTES :

- 1) The Notice together with the accompanying Explanatory Statement may be treated as an abstract of the terms of variation in terms of appointment and Memorandum of Interest of Directors under section 302 of the Companies Act, 1956.
- 2) All documents referred to in the accompanying Notice and the Explanatory Statements are open for inspection at the Registered Office of the Company between 10.00 A.M. and 1.00 P.M. on working days up to 1st July, 2011.
- 3) The results of the Postal Ballot will be posted on the website of the company i.e. www.saverahotel.com besides communicating to the Stock Exchanges where the company's shares are listed.

EXPLANATORY STATEMENT
Pursuant to Section 173 (2) of the Companies Act, 1956.

Item No.1 : Enhancement of remuneration to Mr.A.Ravikumar Reddy

Sri A Ravikumar Reddy was reappointed as the Managing Director of the Company at the Annual General Meeting of the company held on 30th Sep. 2009 for a period of five (5) years with effect from 1st February, 2009. The Board of Directors of the Company at its meeting held on 14th May, 2011 has revised the remuneration with effect from 1st July, 2011 for the remaining period of his appointment i.e. up to 31.01.2014. The terms of remuneration are in conformity with the provisions of the Companies Act, 1956 read with Schedule XIII thereof based on the recommendation of the Remuneration Committee which met on 6th May, 2011.

Accordingly, your approval is sought by voting by Postal Ballot in terms of the provisions of Section 192A of the Companies Act, 1956, read with the provisions of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001

The Board of Directors recommends the resolution for approval of the members.

Sri.A.Ravikumar Reddy, Sri.A.Tarun Reddy and Smt A Nina Reddy are deemed to be concerned or interested in the resolution set out above.

Item No.2 : Enhancement of remuneration to Mrs.A.Nina Reddy

Smt A.Nina Reddy was appointed as the Executive Director (Operations) of the Company at the Annual General Meeting of the company held on 30th Sep. 2009 for a period of five (5) years with effect from 28th October, 2008. The Board of Directors of the Company at its meeting held on 14th May, 2011 has revised the remuneration with effect from 1st July, 2011 for the remaining period of her appointment i.e. up to 27.10.2013. The terms of remuneration are in conformity with the provisions of the Companies Act, 1956 read with Schedule XIII thereof based on the recommendation of the Remuneration Committee which met on 6th May, 2011.

Accordingly, your approval is sought by voting by Postal Ballot in terms of the provisions of Section 192A of the Companies Act, 1956, read with the provisions of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001

The Board of Directors recommends the resolution for approval of the members.

Smt A Nina Reddy and Ms A Nivruti Reddy are deemed to be concerned or interested in the resolution set out above.