



# **ANIL MODI OIL INDUSTRIES LIMITED**

**35<sup>th</sup> ANNUAL REPORT AND ACCOUNTS**

**2008-2009**



**Board of Directors**

Shri Anil Modi,  
Chairman and Managing Director  
Shri Sudhir Shankar Halwasiya  
Shri Deepak Bansal  
Shri Alok Garg

**Bankers**

State Bank of India, Pilibhit  
Bank of Baroda, Pilibhit  
Punjab National Bank, Pilibhit  
Axis Bank, Pilibhit

**Secretary**

Smt. Kavita Shivraj

**Auditors**

Messrs. K. K. Jain & Co.,  
Chartered Accountants,  
711, Roots Tower,  
District Centre, Laxmi Nagar,  
Delhi-110092

Report

**Registered Office**

711, Roots Tower,  
District Centre, Laxmi Nagar,  
Delhi-110 092.

**Works**

Pilibhit, Uttar Pradesh

**Registrar & Transfer Agents**

M/s Skyline Financial Services Pvt Ltd.  
246, Sant Nagar, 1st Floor,  
ISCON Temple Road,  
East of Kailash  
New Delhi-110065



## NOTICE

Notice is hereby given that the 35<sup>th</sup> Annual General Meeting of the shareholders of Anil Modi Oil Industries Limited will be held at Poorva Sanskritik Kendra (PSK), 14, District Centre, Laxmi Nagar, Delhi-110092 on Wednesday, 30<sup>th</sup> September, 2009 at 10.30 A.M. to transact the following businesses:

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2009 and the Profit & Loss Account for the year ended on that date and the Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Shri Deepak Bansal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, and authorise the Board of Directors to fix their remuneration. Messrs. K. K. Jain & Co., Chartered Accountants, Delhi, retires and are eligible for re-appointment.

### SPECIAL BUSINESS

4. **To consider and if thought fit, to pass with or without modification(s) the following resolution as a special resolution:**

**"RESOLVED THAT** pursuant to the provisions of section 198, 269, 309, 310, 311, 316 and 317 read with schedule XIII and all other applicable provisions of Companies Act, 1956, if any, (including any statutory modification or re-enactment thereof) and such other approvals/sanctions as may be necessary, the company hereby approves the re-appointment of Shri Anil Modi as Managing Director of the company for a period of five years with effect from 1<sup>st</sup> January 2010 on the terms and conditions including as to remuneration, minimum remuneration in case of loss or inadequate profit in any financial year as approved by the Remuneration Committee of the Board of Directors of the company and as set out in the explanatory statement which shall be deemed to form part thereof.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to vary and/or revise the remuneration of the said Managing Director within the permissible limits under the provisions of Companies Act, 1956 or any statutory modification thereof, from time to time and to settle any question or difficulty in connection therewith or incidental thereto.

**RESOLVED FURTHER THAT** in the event of any re-enactment or recodification of the Companies Act, 1956 or the Income Tax Act, 1961 or the Amendment thereto, this resolution shall continue to remain in force and the reference to various provisions of the Companies Act, 1956, or the Income Tax Act, 1961 shall be deemed to be substituted by the corresponding provisions of the new Act or the amendments thereto or the Rules and notifications issued there under."

5. **To consider and if thought fit, to pass with or without modification(s) the following resolution as a special resolution:**

**"RESOLVED THAT** pursuant to the provisions of section 314(1)(b) and other applicable provisions if any of the Companies Act, 1956 read with Director's Relatives ( Office or Place of Profit ) Rules, 2003 , consent of the Company be and is hereby accorded to appoint Mr Akshay Modi as Chief Executive Officer at Anil Modi Oil Industries Limited, with effect from 1<sup>st</sup> October, 2008 on the salary, allowances and perquisites as under:

- (a) Basic salary : Rs. 20,000 p.m. (in the time scale of 20,000-2,000-30,000)
- (b) House Rent Allowance: 35% till 30<sup>th</sup> June, 2009 and 50% with effect from 1<sup>st</sup> July, 2009 of the basic salary
- (c) Gratuity As per provision of Gratuity Act
- (d) During his tenure, he will be governed by the Rules and Regulations of the Company as may be applicable to the employees of the Company from time to time including change in designation and responsibilities.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to the resolution and to settle any questions, difficulties or doubts that may arise in this regard.

**RESOLVED FURTHER THAT** in the event of any re-enactment or recodification of the Companies Act, 1956 or the Income Tax Act, 1961 or the Amendment thereto, this resolution shall continue to remain in force and the reference to various provisions of the Companies Act, 1956, or the Income Tax Act, 1961 shall be deemed to be substituted by the corresponding provisions of the new Act or the amendments thereto or the Rules and notifications issued there under."



6. To consider and if thought fit, to pass with or without modification(s) the following resolution as a special resolution:

**"RESOLVED THAT** pursuant to the provisions of section 314(1)(b) and other applicable provisions if any of the Companies Act, 1956 read with Director's Relatives ( Office or Place of Profit ) Rules, 2003 , consent of the Company be and is hereby accorded to appoint Mrs Nita Modi as Asstt Manager- HR at Anil Modi Oil Industries Limited, with effect from 1<sup>st</sup> February, 2009 on the salary, allowances and perquisites as under:

- (a) Basic salary : Rs. 19,000 p.m. (in the time scale of 19,000-2,000-29,000)
- (b) House Rent Allowance: 35% till 30<sup>th</sup> June, 2009 and 50% with effect from 1<sup>st</sup> July, 2009 of the basic salary
- (c) Gratuity As Per provision of Gratuity Act
- (d) During her tenure, she will be governed by the Rules and Regulations of the Company as may be applicable to the employees of the Company from time to time including change in designation and responsibilities.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to the resolution and to settle any questions, difficulties or doubts that may arise in this regard.

**RESOLVED FURTHER THAT** in the event of any re-enactment or recodification of the Companies Act, 1956 or the Income Tax Act, 1961 or the Amendment thereto, this Resolution shall continue to remain in force and the reference to various provisions of the Companies Act, 1956, or the Income Tax Act, 1961 shall be deemed to be substituted by the corresponding provisions of the new Act or the amendments thereto or the Rules and notifications issued there under."

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

**"RESOLVED THAT** pursuant to the provisions of section 94 of the Companies Act, 1956 and other applicable provisions if any and subject to provisions of Articles of Association of the Company, the Authorized Share Capital of the company be and is hereby increased from Rs. 7,55,00,000/- (Rupees Seven Crores Fifty Five Lacs ) to Rs. 12,00,00,000/- (Rupees Twelve Crores ) by creation of new 44,50,000 equity shares of Rs. 10/- each, ranking pari passu with the existing Equity Shares and clause V of the Memorandum of Association of the company be altered accordingly.

**FURTHER RESOLVED THAT** the existing clause V of the Memorandum of Association be and is hereby substituted by the following."

Clause V The Authorized Share Capital of the Company is Rs. 12,00,00,000/- (Rupees Twelve Crores ) divided into 1,20,00,000 ( One Crore Twenty Lacs ) Equity Shares of Rs. 10/- (Rupees Ten ) each.

8. To consider and if thought fit, to pass with or without modification(s) the following resolution as a special resolution:

**"RESOLVED THAT** subject to the provisions of Section 21 and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of the Central Government, name of the Company be and is hereby changed from "Anil Modi Oil Industries Limited" to " Modi Naturals Limited" with effect from the date of issue of fresh Certificate of Incorporation by the Registrar of Companies, in that behalf, and accordingly the name "Anil Modi Oil Industries Limited" wherever it appears in the Memorandum and Articles of Association, documents, contracts, etc., of the Company be substituted with the new name "Modi Naturals Limited."

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to make application, file requisite forms for change of name of the Company at the office of Registrar of Companies NCT of Delhi & Haryana and to do all such acts, deeds and things as may be deemed expedient and necessary to give effect to this resolution.'

9. To consider and if thought fit, to pass with or without modification(s) the following resolution as a special resolution:

**"RESOLVED THAT** pursuant to Article 135 of the Articles of Association of the company and provisions of section 81, section 205 and other applicable provisions, if any, of the Companies Act, 1956, and subject to the consent of such authorities as may be required and subject to such modifications/ alterations as concerned authorities may direct or impose while granting such consent and which the Board of Directors be and is hereby authorized to agree to if Board considers fit and proper to do so, consent of the members of the Company be and is hereby granted to the Board of Directors of the Company to issue 42,38,967 (Forty Two Lacs Thirty Eight Thousand Nine Hundred and Sixty Seven) equity shares of Rs. 10/- each as bonus shares in the ratio of 1:1 i.e. (one equity share of Rs. 10/- each for every one equity share of Rs. 10/- each held), to the existing equity shareholders of the company whose names appear in the Register of Members of the company as on "the record date" to be fixed by the Board in this behalf, by capitalizing the free reserves of the company in terms of the provisions of the Companies Act, 1956.



**FURTHER RESOLVED THAT** the said New Equity shares issued shall rank *pari passu* in all respects with the existing fully paid-up equity shares in the capital of the company including dividend to be declared if any, for the concerned financial year.

**FURTHER RESOLVED THAT** Shri. Anil Modi, Chairman and Managing Director and/ or Shri. Deepak Bansal, Director and/or Smt Kavita Shivraj , Company Secretary of the company be and are hereby severally authorized to do all such acts, deeds in this regard and give effect to this resolution.

**10. To consider and if thought fit, to pass with or without modification(s) the following resolution as a special resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 81, 81(1A) and all other applicable provisions of the Companies Act, 1956, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, the rules / regulations / guidelines / notifications / circulars, if any, prescribed by the Securities Exchange Board of India ("SEBI"), Reserve Bank of India ("RBI") and / or any other regulatory authority, the Listing Agreements entered into by the Company with the Stock Exchanges where the Equity Shares of the Company are listed in accordance with the applicable provisions of the SEBI (Disclosure & Investor Protection) Guidelines, 2000 ("Guidelines") and subject to approval(s), consent(s), permission(s) and / or sanction(s), if any, of SEBI, RBI, appropriate authorities, institutions or bodies as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval(s), consent(s), permission(s), and/or sanction(s) and which may be agreed to by the Board of Directors of the Company (hereinafter called "the Board" which terms shall be deemed to include any Committee which the Board may have constituted or hereinafter constitutes to exercise its powers including the powers conferred by this resolution), the Board be and is hereby authorized on behalf of the Company to create, offer, issue and allot 26,40,000 (Twenty Six lacs Forty Thousand) Optionally Convertible Warrants on a preferential basis ("Warrants") entitling the Warrant holder(s) thereof to apply for allotment of One Equity Share of Rs. 10 each of the Company on full payment, per Warrant, at a price stated herein below, in one or more tranches, within 18 months from the date of allotment of Warrants, to:

- |                                     |   |                    |
|-------------------------------------|---|--------------------|
| 1. India Max Investment Fund Ltd.   | - | 10,36,000 Warrants |
| 2. Prime India Investment Fund Ltd. | - | 10,36,000 Warrants |
| 3. Rahn and Bodmer Co.              | - | 5,68,000 Warrants  |

in such manner and on such terms and conditions as may be determined by the Board in its absolute discretion, provided that the shares will be issued at a price not less than;

- The average of the weekly high and low of the closing prices of the Company's shares quoted on the Stock Exchange (Bombay Stock Exchange Limited) during the six months preceding the "**relevant date**"; or
- The average of the weekly high and low of the closing prices of the Company's shares quoted on the Stock Exchange (Bombay Stock Exchange Limited) during the two weeks preceding the "**relevant date**"; whichever is higher, "**relevant date**" for the purpose being 30/08/09.

**RESOLVED FURTHER THAT** the issue of Warrants, if any, as above shall be subject to the following terms and conditions;

- The Warrants shall be convertible (at the sole option of the Warrant holders) at any time within a period of 18 months from the date of allotment of Warrants.
- Each Warrant shall be convertible into one Equity Share of Rs. 10 each appropriated towards the equity share capital and the balance amount paid against each Warrant towards the share premium.
- The Warrant holder(s) shall, before the date of allotment, pay an amount equivalent to 25% of the consideration per Warrant.
- The Warrant holder(s) shall, on the date of exercise of the conversion option, pay the balance 75% of the consideration towards the subscription to each Equity Share.
- The amount referred to in (3) above shall be forfeited if the option to acquire shares is not exercised within a period of 18 months from the date of allotment of Warrants.
- The lock in of Equity Shares acquired by the Allottees by exercise of Warrants shall be for a period of one (1) year reduced to the extent of holding period of the Warrants.



7. The warrant holders are not entitled to issue of bonus shares being issued in terms of resolution no.9 of this AGM Notice. However the Warrant holders shall be entitled to future issue of bonus / rights, if any, of Equity Shares or Warrants convertible in to Equity Shares or such other securities by the Company in the same proportion and manner as any other shareholders of the Company, provided the Warrants are converted into Equity Shares before such corporate action. The Warrant holders will be intimated about any such corporate action appropriately.
8. The Warrant by itself does not give to the holder(s) thereof any right of the shareholders of the Company.
9. Such warrants are being issued in terms of the present Guidelines applicable to issue of such warrants and is subject to any changes/ amendments by such regulatory authorities as may be applicable.

**RESOLVED FURTHER THAT** the resultant Equity Shares to be issued and allotted upon exercise of right attached to the Warrants in terms of this resolution shall rank pari-passu in all respects with the then existing Equity Shares of the Company and be listed at the Bombay Stock Exchange Ltd.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to appoint advisors, lawyers, merchant bankers and/ or consultants as may be deemed fit and to take all actions and do all such acts, deeds, matters and things as it may deem necessary or desirable for such purpose, including without limitation to execute all such deeds, documents and writings in connection with the issue of the aforesaid Warrants, entering into arrangements for listing, trading, depository services and such other arrangements and agreements as they may, in their absolute discretion, deem necessary, proper or desirable for such purpose, and also to seek listing of the Equity Shares representing the same in any Indian Stock Exchanges with power on behalf of the Company and to accept any modifications in the above proposal as may be stipulated by the authorities involved in such issues and also with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in the proposed issue, offer and allotment of the said Warrants and Equity Shares to be issued on exercise of such Warrants, including change in the period for exercise of option subject to relevant Guidelines, utilizations of the proceeds, without being required to seek any further consent or approval of members or otherwise, to the end and intent that members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorized to agree to, make and accept such conditions, modifications and alterations as may be stipulated by the relevant authorities and to take such actions as may be necessary, desirable or expedient to effect such modifications and alterations and to resolve and settle all questions and difficulties that may arise in the proposed issue and allotment of Warrants and the underlying shares and to do all acts, deeds, matters and things as it may at its discretion consider necessary or desirable."

By order of the Board of Directors

sd/-

(Kavita Shivraj)  
Company Secretary

Place: New Delhi  
Date: 02/09/2009



## NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES MUST BE LODGED AT REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.**
2. Members desiring any information as regards accounts and operations are required to write to the Company at its Registered Office one week before the date of the meeting so that the information is made available at the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed on Monday, 28/09/2009 to Wednesday, 30/09/2009 (both days inclusive).

*The relevant Explanatory Statement pursuant to Clause 49 of the Listing Agreement and Section 173 (2) of the Companies Act, 1956, in respect of re-appointment(s) of Directors and the Special Business set out above is mentioned below.*

5. Members/Proxies are requested to bring their copy of Annual Report to the Meeting as extra copies will not be distributed.
6. Members/Proxies should fill the attendance slip for attending the meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those hold shares in Physical forms are requested to write their Folio Number in the attendance slip for attending the meeting.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Corporate members intending to send their authorized representative are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend and vote at the Annual General Meeting.
9. Members are requested to send their queries, if any, on the accounts and operations of the Company to the Compliance Officer at least 7 days before the Annual general Meeting.
10. **NO GIFT(S) SHALL BE DISTRIBUTED AT THE ENSUING 35<sup>TH</sup> ANNUAL GENERAL MEETING OF YOUR COMPANY.**





## INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT

As required under the Listing Agreement, the particulars of Director who is proposed to be re-appointed is given below:-

Name	: Deepak Bansal
Date of Birth	: 04.08.1959
Qualifications	: BSc, LL.B, FCS, PGD( PM& IR)
Experience	: He has around 15 years experience in Legal and Secretarial field and is presently practicing as Company Secretary.
Outside Directorship	: 1) Nipun Consultants Private Limited 2) Sanchi Agencies Private Limited
Membership/ Chairmanship of the Board Committees of the Companies	: Nil
No. of shares held ( both own or held by/ for other persons on a beneficial basis ) in the company	: Nil

### EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173(2) OF THE COMPANIES ACT, 1956

#### Item No. 4

The members at their 30<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2004 had appointed Shri Anil Modi as Managing Director for a period of 5 years w.e.f 1<sup>st</sup> January, 2005 and also approved and sanctioned payment of remuneration to him as set out in the resolution then passed.

Shri Anil Modi has been managing the affairs of the Company competently and his business foresight coupled with his rich experience has placed the Company on sound footing enabling it to achieve overall good performance over the years. In appreciation of his excellent contribution to the growth of the Company and to motivate him, on the basis of recommendation made by the Remuneration Committee, the Board of Directors in their meeting held on 2<sup>nd</sup> September, 2009 have subject to the consent and approval of the shareholders, approved his re- appointment for a further period of five years effective from 1<sup>st</sup> January, 2010, on the terms and conditions given below:-

- a) Salary (i) Rs. 1,25,000/- ( Rupees One Lac Twenty Five Thousand) per month with effect from 1<sup>st</sup> January, 2010  
(ii) Commission : One percent commission on net profits of the Company, not exceeding the total annual salary
- b) Perquisites Perquisites shall be allowed in addition to salary and shall be restricted to an amount equal to annual salary. Perquisites are classified into two Parts 'A' and 'B' as under

#### Part 'A'

- (i) Company's contribution to Provident Fund subject to ceiling of 12% of the salary.
- (ii) Pension/Superannuation/Annuity: Benefits in accordance with Rules and Regulation in force in the Company from time to time.
- (iii) Gratuity payable shall not exceed half-months salary for each completed year of service subject to a ceiling of Rs 3,50,000/-

#### Part 'B'

1. Car : Provision of car for use on Company's business will not be considered as perquisite. However, use of car for personal purpose will be billed by the Company.
2. Telephone : Provision of telephone at residence will not be considered as perquisite. Company will reimburse all expenses of telephone at residence. However, personal long distance call will be billed by the Company.

#### Other terms

- (i) Leave on full pay and allowance at the rate of one month for every eleven months of completed service subject to the conditions that leave accumulated but not availed of will not be allowed to be encashed.
- (ii) The Company shall pay and/or reimburse the Managing Director for all costs, charges and expenses that may be incurred by him for the purpose of and in connection with the business of the Company.
- (iii) The agreement is terminable on three month's notice on either side.
- (iv) The Managing Director shall not be entitled to supplement his earnings under the Agreement with any buying or





selling commission. He shall not also become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the company, without prior approval of Central Government.

In case of absence or inadequacy of profit in any financial year, an amount equal to the aforesaid remuneration shall be paid to Mr Anil Modi as minimum remuneration in terms of Para 1(B) of section II of Part II of Schedule XIII of the Companies Act, 1956.

Shri Anil Modi shall not be liable to retire by rotation.

The Explanatory Statement and the resolution at item no. 4 of the Notice may be treated as a abstract of the terms and memorandum of interest pursuant to the provisions of Section 302 of the Companies Act, 1956.

Except Shri Anil Modi, none of the Directors is interested in the Resolution.

Your Directors recommend the resolution for your approval.

#### **Item No. 5**

The Board of Directors at its meeting held on 1st October, 2008 considered and appointed Mr Akshay Modi s/o of Shri Anil Modi, Chairman cum Managing Director of the company as the Chief Executive Officer of the company with effect from 1st October, 2008 on the basis of recommendation of the Selection Committee set up by the company under provisions of Director's Relatives (Office or Place of Profit) Rules, 2003

Mr Akshay Modi is professionally qualified as Engineer and your Directors are of the view that his appointment would be fruitful and beneficial to the company.

As per the provisions of Section 314 (1)(b) of the Companies Act, 1956, the appointment of Relative of a Director drawing a monthly remuneration of Rs 10000/- (Rupees Ten Thousand only) or more shall not be made except with the approval of shareholders by a Special Resolution passed at the General Meeting of the Company.

Your Directors commend the resolution for your approval.

Except Shri Anil Modi, none of other Directors of your company is concerned or interested in this resolution.

#### **Item No. 6**

The Board of Directors at its meeting held on 31st January, 2009 considered and appointed Mrs Nita Modi w/o of Shri Anil Modi, Chairman cum Managing Director of the company as the Asstt Manager -HR of the company with effect from 1st February, 2009 on the basis of recommendation of the Selection Committee set up by the company under provisions of Director's Relatives (Office or Place of Profit) Rules, 2003

Mrs Nita Modi is science graduate with hands on experience in the human resources area of corporate functioning and your Directors feel that her appointment as Asst Manager-HR would re-inforce the Personnel Department of the company.

As per the provisions of Section 314 (1)(b) of the Companies Act, 1956, the appointment of Relative of a Director drawing a monthly remuneration of Rs 10000/- (Rupees Ten Thousand only) or more shall not be made except with the approval of shareholders by a Special Resolution passed at the General Meeting of the Company.

Your Directors commend the resolution for your approval.

Except Shri Anil Modi and Shri S.S.Halwasiya, none of other Directors of your company is concerned or interested in this resolution.

#### **Item No. 7**

Your Company proposes to issue bonus shares and convertible preferential warrants and to enable your company to issue new equity shares on this account, increase in the authorized share capital of the company from Rs. 7.55 crores to Rs. 12 crores is proposed by creation of additional 44,50,000 equity shares of Rs 10/- each.

Consequently, the Memorandum of Association of the Company is required to be altered in order to reflect the proposed change in the authorized share capital of the company for which the approval of the members is required. The Directors commend acceptance of the proposed Ordinary Resolution in the best interest of the company.



None of the Directors of the company is concerned or interested in the aforesaid ordinary resolution, except as a member of the company.

A copy of the Memorandum & Articles of Association of the Company together with the proposed alterations are available for inspection at the registered office of the company between 10 A.M to 1 P.M on any working day of the company.

#### **Item No. 8**

Your Company manufactures its products in a completely natural manner without the use of any chemicals. Besides your company is an environment friendly company using biomass fuels for its energy requirements, thereby reducing greenhouse gas emissions taking further its constant endeavor to keep its products natural and eco-friendly.

Your company wishes to change its brand image as keeping "oil industries" in its name gives picture in the minds of public at large that your company is using the chemicals for refining or processing.

Hence the change in the name of Company from 'Anil Modi Oil Industries Limited' to 'Modi Naturals Limited' was proposed vide Board Resolution dated 31<sup>st</sup> July, 2009. On an application made pursuant to Section 20 of the Companies Act 1956, the Registrar of Companies, NCT of Delhi & Haryana has confirmed the availability of the proposed name vide its letter dated 17<sup>th</sup> August, 2009.

Section 21 of the Companies Act, 1956 provides that the Company may, by Special Resolution passed in the General Meeting of members and with the approval of the Central Government, change the name of the Company. So, in terms of Section 21 of the Companies Act, 1956, your consent is required by way of passing a special resolution in this regard.

The Directors recommend the adoption of the resolution as special resolution.

None of the Directors is interested or concerned in the proposed resolution except as member of the Company.

#### **Item No. 9**

The Board of Directors of your company at its meeting held on 2<sup>nd</sup> September, 2009 has considered capitalization of free reserves by issuing Bonus shares to existing shareholders of the company in the proportion of one Bonus equity share for every one equity share held i.e (1:1) by a shareholder of the company as on the record date for this purpose, subject to the approval of the shareholders of the company and requisite permission of BSE.

The issue of bonus shares will enhance equity share capital of the company which will go a long way in strengthening the capital base of the company to consider further expansion.

The Directors recommend the approval of the resolution as special resolution.

None of the Directors of the company is concerned or interested in the proposed resolutions except to the extent of shareholding held by them as shareholders of the company.

#### **Item No. 10**

The details of proposed preferential issue of equity shares are as follows:

As the members are aware the company is pursuing growth opportunities in the line of activity where it has established itself as significant player in the edible oil industry. The company is proposing to expand existing extraction/processing facility by installing new refining section, boiler and packaging section. It also proposes to enter retail segment by creating brand awareness and brand building. The company has estimated total fund requirements to the extent of approximately Rs.10 crores. In view of the above it is proposing to issue and allot 26,40,000 (Twenty Six Lacs Forty Thousand) warrants of Rs.10/- each on preferential basis to:

i) India Max Investment Fund Ltd.	10,36,000 warrants
ii) Prime India Investment Fund Ltd.	10,36,000 warrants
iii) Rahn & Bodmer Company	5,68,000 warrants

The proposed preferential allotment is in accordance with guidelines for preferential issues contained in Chapter XIII of SEBI (DIP) Guidelines 2000 ("The Guidelines"). The warrants will entitle the holders to apply for equivalent number of fully paid up equity shares of Rs.10/- each. On completion of allotment of shares, out of this issue, the company will be able to raise Rs.8 crores. The balance requirement of funds will be made through internal resources.