



**41st ANNUAL REPORT AND ACCOUNTS
2014-2015**

Board of Directors

Shri Anil Modi,
- Chairman and Managing Director
Shri Akshay Modi
- Executive Director
Shri Sudhir Shankar Halwasiya
Shri Alok Garg
Shri Sulabh Singal
Ms. Aditi Gupta

Bankers

Yes Bank Ltd, New Delhi
HDFC Bank, Pilibhit & New Delhi

Auditors

M/s. K. K. Jain & Co.,
Chartered Accountants,
184-A, Garud Apartments,
Pocket -IV, Mayur Vihar, Phase-I
Delhi - 110091

Registered Office

405, Deepali Building
92, Nehru Place
New Delhi - 110019

Works

Bisalpur Road,
Pilibhit - 262001, Uttar Pradesh

Registrar & Transfer Agents

M/s Skyline Financial Services Pvt Ltd
D-153A, Okhla Industrial Area, Phase I,
New Delhi - 110020

MESSAGE TO SHAREHOLDERS

It gives me great pleasure to write to you as your company witnesses tremendous growth in the branded segment.

It is a matter of pride for us that our clientele continues to grow strongly across the entire national geography.

The year 2014-2015 had been a demanding, but also a tremendously rewarding, one. Whilst India enters a faster growth period from three years of stunted growth, the transition period is marked by global uncertainty and volatility in financial markets. Despite this, your company has fared well in the segments it operates in. We are fast emerging as leaders within sub-categories of the branded edible oil segment. This has been achieved by innovative and thoughtful product strategy, followed by focused brand promotion activities.

Your Company's brand building efforts have helped create leadership in some categories with strong consumer franchises that yield healthy margins. The Company continues on its journey towards building a higher value added and a higher margin portfolio of brands. While we maintain confidence in the quality of our products, we try to do everything we can to ensure that Modi Naturals' emerges as an even stronger, trusted and respected Company. We want to continue to drive growth in the categories where we are leaders and have a competitive advantage, by providing our consumers with superior quality products. We are also focused on developing innovative products and brands to leverage our growing distribution network.

In spite of the evolutionary changes, our Company has undertaken over the years to respond to those challenges, the one thing that has remained constant, since our inception, is our commitment to stewarding our Company in the best interests of our shareholders. We see this as a source of competitive advantage for the business now and in the years ahead.

I, thank you, dear shareholders for placing your faith in the Company. I also thank the very committed members of the Modi Naturals' team and the Company's business associates for their continued support. My team and I look forward to the challenges of delivering sustainable profitable growth in the years ahead with confidence.

I look forward to greater success for Modi Naturals' in the years to come.

Sincerely,
sd/-
Akshay Modi
Executive Director

NOTICE

Notice is hereby given that the 41st Annual General Meeting of the shareholders of Modi Naturals Limited will be held on Wednesday 30th September, 2015 12.15 P.M Hotel Chirag Residency, B-18, Chirag Enclave, Nehru Place, Opp. Devika Tower, New Delhi-110019 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2015 and the Statement of Profit & Loss for the year ended on that date and the Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Shri Akshay Modi (DIN: 03341142), Director, who retires by rotation and being eligible, offers himself for re-appointment.
3. Appointment of Auditors

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 Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of Messrs. K.K Jain & Co. (Firm Registration No. 002465N), Chartered Accountants, New Delhi as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company on such remuneration, as may mutually be agreed between the Auditors and the Board of Directors of the Company."

SPECIAL BUSINESS

4. REGULARISATION OF APPOINTMENT OF MS. ADITI GUPTA AS DIRECTOR

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

"RESOLVED THAT Ms Aditi Gupta, (DIN: 01786037) who was appointed by the Board of Directors as an Additional Director of the Company with effect from March 31, 2015 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and deeds as may found to be necessary, proper or expedient to give effect to this resolution".

5. RATIFICATION OF APPOINTMENT & APPROVAL OF REMUNERATION OF COST AUDITORS

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 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the approval of Central Government as may be required, the Company hereby approves and ratifies the remuneration of Rs. 60,000/- (Rupees Sixty Thousand only) plus Service Tax and out of pocket expenses payable to Messrs Manisha & Associates (Firm Registration No.: 000321), Cost Accountants, appointed as Cost Auditors of the Company for the Financial Year 2015 - 2016.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

By order of the Board

Place: New Delhi
Date: 2nd September, 2015

Sd/-
(Akshay Modi)
Executive Director
DIN No.03341142

NOTES:

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect of the Special Business set out in Item Nos. 4 & 5 of the accompanying Notice is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF (ONLY ON A POLL) AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, DULY COMPLETED, MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM FOR THE AGM IS ENCLOSED.**
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Members / Proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 25th September, 2015 to Wednesday, 30th September, 2015 (both days inclusive) for the purpose of AGM.
7. Members are requested to intimate immediately the change of address or demise of any Member, if any, to the Company's Registrar and Transfer Agents or Depository Participant, as the case may be to prevent frauds.
8. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their change of address, change of name, e-mail address, contact numbers, etc. to their Depository Participant (DP). Members holding shares in physical form are requested intimate such changes to the Company or the Registrar and Transfer Agent of the Company.
9. In case of joint holders attending the meeting, only such joint holder whose name is mentioned in the first place in the order of names will be entitled to vote.
10. 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.
11. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participant to enable us to send you the communications via email.
12. Copies of the Annual Report 2015 are being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2015 are being sent by the permitted mode.
13. Members may also note that the Notice of the 41st AGM and the Annual Report 2015 will be available on the Company's website, www.modinaturals.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: investors@modinaturals.com.
14. Additional Information pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors seeking appointment / re-appointment at the AGM are furnished and forms part of the Notice. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.
16. All documents referred to in the notice will be available for inspection at the company's registered office during normal business hours on working days up to the date of the AGM.

17. Annual Listing Fee for the year 2015-2016 has been paid to the Bombay Stock Exchange Ltd wherein shares of the Company are listed

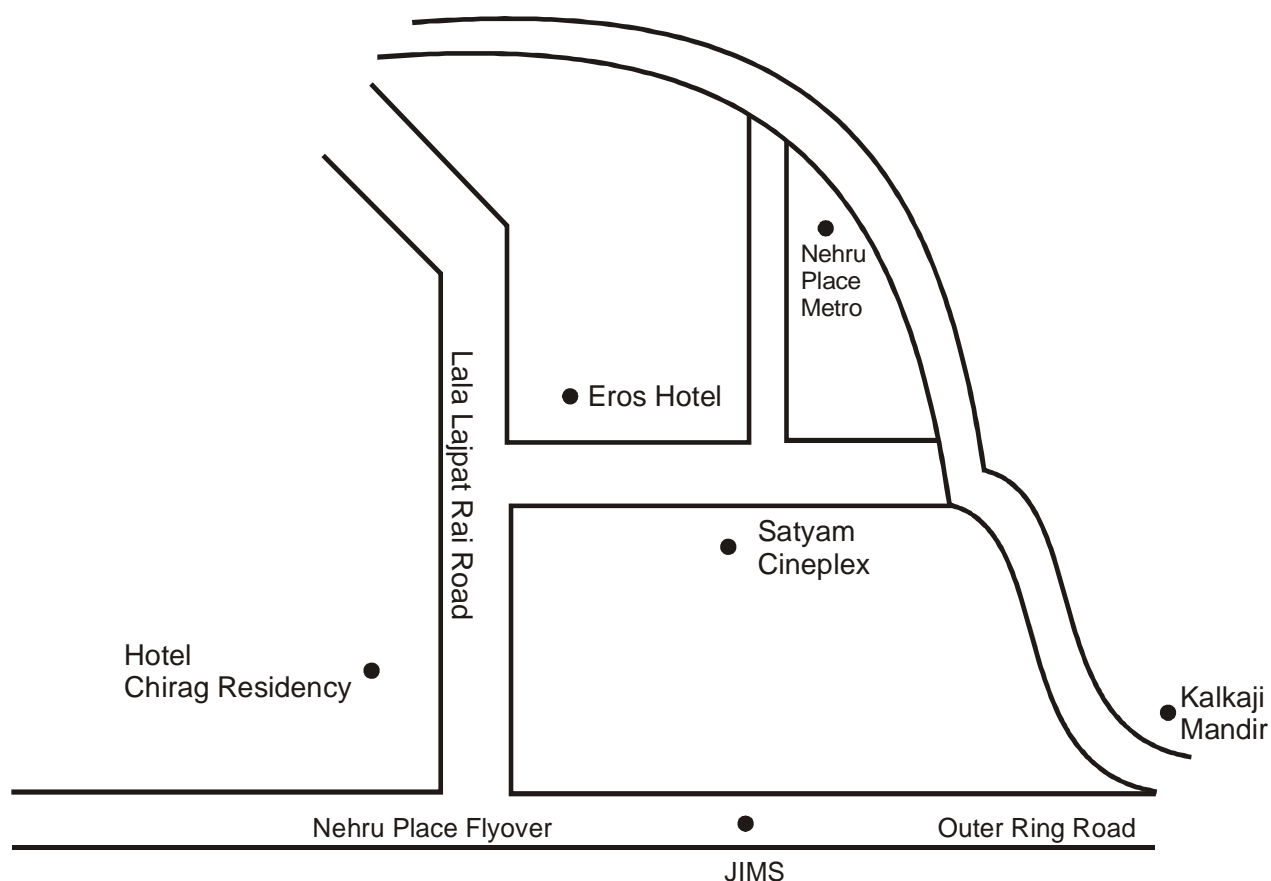
18. NO GIFT(S) SHALL BE DISTRIBUTED AT THE ENSUING 41st ANNUAL GENERAL MEETING OF YOUR COMPANY.

Voting through Electronic Means - Remote E-Voting

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Clause 35B of the Listing Agreement, the Company is pleased to provide the Members with a facility to exercise their right to vote for the 41st AGM by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through Poll Paper shall be made available at the AGM and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through Poll Paper.
- III. Members who have cast their vote by remote e-voting prior to the AGM may also attend AGM but shall not be entitled to cast their vote
- IV. The remote e-voting period commences on Saturday, 26th September 2015 (9:00 am) and ends on Monday, 29th September, 2015 (5:00 pm). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 24th September, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Members, the Member shall not be allowed to change it subsequently.
- V. Any person who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. 24th September, 2015 can obtain the login ID and password by sending a request at evoting@nsdl.co.in or investors@modinaturals.com However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" option available on www.evoting.nsdl.com.
- VI. Members whose name appears in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. 24th September, 2015 only shall be entitled to avail the facility of remote e-voting and vote at the AGM through Poll Paper.
- VII. The instructions for remote e-voting are as under:
 - A. Members whose shareholding is in the Dematerialization form and whose e-mail address are registered with the Company/ Depository Participants will receive an E-mail from NSDL informing user ID and Password:
 1. Open E-mail and open PDF file attached therein with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 2. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 3. Click on Shareholder - Login
 4. Put user ID and password as initial password/PIN noted in step (1) above. Click Login.
 5. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 6. Home page of e-voting opens. Click on remote e-voting: Active Voting Cycles.
 7. Select "EVEN" of Modi Naturals Limited.
 8. Now you are ready for e-voting as Cast Vote page opens.
 9. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 10. Upon confirmation, the message "Vote cast successfully" will be displayed.
 11. Once you have voted on the resolution, you will not be allowed to modify your vote.
 12. Institutional Members (i.e. other than individuals, HUF, NRI etc.,) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to investors@modinaturals.com with a copy marked to evoting@nsdl.co.in.
- VIII. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the Downloads section of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990.
- IX. Login to the remote e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot Password" option available on the site to reset the password.
- X. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com.
- XI. You can also update your mobile number and E-mail ID in the user profile details of the folio which may be used for sending future communication(s).

- XII. The voting rights of Members shall be in proportion to their shares of the paid up equity Share Capital of the Company as on the cut-off date i.e. 24th September, 2015.
- XIII. Mr. Deepak Bansal, Company Secretary in Practice (CP 7433) has been appointed as the Scrutinizer to scrutinize the remote e-voting and poll process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of poll paper for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall immediately after the conclusion of voting at the AGM will count the votes casted at the Meeting and thereafter unblock the votes casted through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make not later than 3 days of conclusion of AGM, a consolidated Scrutinizer's Report of the total votes casted in favour or against, if any, forthwith to the Chairman or a person authorized by him in writing who shall countersign the same and declare the results of the voting forthwith.
- XVI. The Results declared along with the report of the Scrutinizer shall be placed on the Company's website: www.modinaturals.com and on the website of NSDL immediately after the declaration of results by the Chairman or a person authorized by him in writing. The Results shall also be simultaneously forwarded to the concerned Stock Exchanges.

The route map of the venue of the AGM is given herein below.



STATEMENT AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013 AND THE INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT

Item No. 4

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Ms Aditi Gupta as an Additional Director in accordance with the Articles of Association and Section 161 of the Companies Act, 2013 ("the Act") with effect from March 31, 2015. As per Section 161 of the Act, Ms Aditi Gupta holds office up to the date of the ensuing Annual General Meeting of the company.

None of the Directors, Key Managerial Personnel or their relatives, except Mr. Akshay Modi and Mr. Anil Modi and their relatives is interested or concerned financially or otherwise in the Resolution.

The Board recommends the Resolution No. 4 for approval of the members.

Item No. 5

The Board of Directors of the Company at their meeting held on May 30, 2014 has, on recommendation by the Audit Committee, appointed M/s. Manisha & Associates (Firm Registration number: 000321), Cost Accountants as the Cost Auditors for the Financial Year 2015-16 at a remuneration of INR 60,000/- (Rupees Sixty Thousand only) plus Service Tax and out of pocket expenses. As per Section 148 of Companies Act, 2013 and applicable rules thereunder, the remuneration payable to the Cost Auditor is to be ratified by the members of the Company.

The Board considers the remuneration payable to the Cost Auditors is fair and recommend the resolution contained in Item no.5 for approval of the members.

None of the Directors, Key Managerial Persons or the relatives of Directors or KMPs are interested or concerned in the said resolution.

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT

Shri Akshay Modi - Executive and Non Independent Director

Shri Akshay Modi, 29, is an Engineer from the University of Leeds, U.K. He is a visionary entrepreneur who has conceptualized the launch of Edible Oils in consumer packs under the brand names, 'Oleev' and 'Tarai'. He holds 455236 equity shares in the company.

He is also on the Board of M/s Modi Infratech Private Limited.

Ms. Aditi Gupta - Non Executive and Non Independent Director

Ms. Aditi Gupta, 29, is a Graduate in BSc (Hons) from University of Nottingham and is having corporate experience of around 9 years. She is not holding any shareholding in the company.

She is on the Board of M/s Osain Incubex Private Limited.

DIRECTORS' REPORT

To,
The Members,
Your Directors hereby present the 41st Annual Report and Audited Accounts of the Company for the Financial Year ended on March 31, 2015.

1. FINANCIAL HIGHLIGHTS

The summarized financial results for the year ended March 31, 2015 and for the previous year ended March 31, 2014 are as follows: -

Particulars	2014-2015 (in lakh)	2013-14 (in lakh)
Sales and Other Income	23394.68	20982.52
Profit/Loss before interest and Depreciation & Tax	278.22	448.33
Profit/Loss before exceptional item & Tax	14.52	305.58
Profit/Loss before Tax	14.52	163.91
Tax	(1.26)	81.64
Profit after Tax	15.78	82.27

The Company achieved gross turnover including other income of Rs 23,394.68 Lacs and posted net profit of Rs 15.78 Lacs for the financial year ended on 31st March, 2015 as against gross turnover including other income of Rs 20,982.52 Lacs and net profit of Rs 82.27 Lacs in the previous financial year.

2. STATE OF COMPANY AFFAIRS AND FUTURE OUTLOOK

In the current financial year, the company continues to focus on growth of its branded business and is confident that the consumer business will grow by more than 100%, which is an achievement in itself. The company has a fast growing distribution network and intends to leverage that by launching new products and brands, whilst focusing on growth for the existing brands. The flagship brand where the company is seeing a growing leadership position is:

Oleev - olive oils and healthy oils

Other than that we have developed the following value added products:

Rizolo India's Finest - Rice Bran Oil

Miller - Canola Oil with low absorption technology

Olivana Wellness - massage oils.

Whilst Rizolo and Miller have a direct fit in the edible oil stable, Olivana Wellness is the company's foray into the personal care segment of FMCG. The move is to further strengthen the distribution base and unlock the opportunity to enter higher margin product categories.

The company, on the back of the success of its flagship brands, is sitting on a mountain of opportunities within the distribution and FMCG business. The management is confident that with its strategies in place, the company will be able to harness the growth potential that lies ahead of us.

3. CHANGE IN NATURE OF BUSINESSES

There was no change in the nature of business of your company during the year.

4. DIVIDEND

No Dividend was declared for the current financial year.

5. TRANSFER TO RESERVES

Your Company has not transferred any amount of profits to reserves.

6. CHANGE IN SHARE CAPITAL

Your Company has neither issued any equity shares with differential rights nor granted any employees stock options/ sweat equity shares to the Directors, Officers or employees of the company during the year.

7. DEPOSITS FROM PUBLIC

During the year, your Company has not accepted any deposits within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

8. EXTRACT OF ANNUAL RETURN

In accordance with Sections 134(3) (a) and 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as "**Annexure-1**".

9. NUMBER OF BOARD MEETINGS

During the financial year ended March 31, 2015, the Company had seven (7) Board meetings on May 30, 2014, July 8, 2014, August 11, 2014, November 14, 2014, February 11, 2015, February 24, 2015 and March 31, 2015 respectively.

10. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

11. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large. Disclosure as required under form AOC - 2 are Contained in Note No. 34 (Notes to accounts)

12. AUDITORS'

STATUTORY AUDITORS'

Pursuant to the provisions of Section 139 of the Act and the rules framed there under, Messrs K. K. Jain & Co., Chartered Accountants, were appointed as statutory auditors of the Company from the conclusion of the 40th annual general meeting (AGM) of the Company held on August 19, 2014 till the conclusion of the 43rd Annual General Meeting, subject to ratification of their appointment at every Annual General Meeting. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of Messrs K. K. Jain & Co, Chartered Accountants, as statutory auditors of the Company, is placed for ratification by the shareholders at the 41st Annual General Meeting of the Company. In this regard, the Company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

SECRETARIAL AUDITORS'

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s RMD & Associates, Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "**Annexure 2**".

COST AUDITORS'

Based on the Audit Committee recommendations at its meeting held on May 30, 2015 and subject to approval by Central Government, the Board recommends the appointment of M/s. Manisha Taiyal & Associates as the Cost Auditors of the Company for the year ended on March 2015 -16. The report for the financial year 2013-14 has been filed on 26th September, 2014.

13. EXPLANATION TO AUDITOR'S REMARKS

There are no qualifications made by the Auditors in their Report which requires any explanation from the Board of Directors of the Company. The Notes to Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

14. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes affecting the financial position of the Company.