

September 06, 2019

The Manager,
(Corporate Relationship Department),
BSE Limited
1st Floor, P.J. Towers, Dalal Street, Fort,
Mumbai – 400001

Through Listing Centre
Scrp Code: 519003

Dear Sir / Madam,

Sub: Annual Report for the year 2018-19

Pursuant to Regulation 34(1) and Regulation 30(2) read with Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the FY 2018-19 along with the Notice of 45th AGM of the Company.

The Annual Report for the FY 2018-19 is also available on the Company's website - (www.modinaturals.com)

This is for your kind information and records please.

Thanking you !

Yours Faithfully,
For **MODI NATURALS LIMITED**



Ankit Agarwal
Company Secretary
Memb. No. – A23445

Encl : A/a

45TH

**ANNUAL REPORT
2018-2019**



modi naturals limited

Corporate Information

Board of Directors

Mr. Anil Modi
Chairman and Managing Director

Mr. Akshay Modi
Jt. Managing Director

Mr. S. S. Halwasiya
Independent Director

Mr. Alok Garg
Independent Director

Mr. Sulabh Singal
Independent Director

Ms. Aditi Gupta
Woman Director

Mr. Pradeep Kapoor
Chief Financial Officer

Mr. Ankit Agarwal
Company Secretary

Statutory Auditors

Kashyap & Co.
Chartered Accountants

Bankers

HDFC Bank
Yes Bank

Registered Office

Modi Naturals Limited
405, Deepali Building,
92, Nehru Place,
New Delhi-110019
Tel : 011-41889999
Website : www.modinaturals.com

Corporate Office

D-185 /1B & 1C, 2nd Floor,
Phase-I, Okhla, New Delhi-110020
Tel : 011-41889999

Works

- Bisalpur Road, Pilibhit-262001, Uttar Pradesh
- Rai Ind. Area, Sonipat, Haryana-131029
- RR District, Hyderabad, Telangana-23

Registrar and Transfer Agents

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

Contents

Notice	1	Report on Corporate Governance	36	Cash Flow Statement	55
Directors' Report	17	Auditors' Report	47	Notes to Financial Statements	56
Management Discussion and Analysis	34	Balance Sheet	53	Proxy Form	75
		Statement of Profit and Loss	54	Attendance Slip	76

Message to Shareholders

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

This year, your company continued to focus on expanding its consumer base and grow in volumes. Geographically, our target to have more coverage and greater penetration while commensurately increasing our products' presence and distribution found manifestation in our marketing initiatives to create brand awareness. We are working towards creating a stronger brand recall, which will allow us to consolidate and attain higher orbits of growth for the years to come. Incisive strategic initiatives relating to a gamut of activities were taken as far as the branding is concerned and higher sales revenues provided powerful impetus to our Company's growth.

We have demonstrated the value of well-defined and focused strategy consistently. We pride ourselves in providing the most trusted brands and high-quality products to customers and we shall continue to accelerate the efforts to reach every Indian kitchen and satisfy every Indian household's desire for a healthy, happy and fulfilling life.

My gratitude is due to my colleagues on the Board for their valuable guidance. The Board joins me in expressing our deep appreciation to the employees, our customers, suppliers, bankers, auditors, legal advisors, business associates, the Government and various authorities for their continued support, co-operation and understanding. I thank you, dear shareholders, for your support and look forward to your continued trust.

My team and I look forward to the challenges of delivering sustainable profitable growth in the years ahead with confidence.

Sincerely,
sd/-
Akshay Modi
Jt. Managing Director

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 45th Annual General Meeting (AGM) of the Shareholders of Modi Naturals Limited will be held on Monday, 30th September, 2019 at 3.00 P.M. at Hotel Bluestone, CC24, Kalkaji, Near Nehru Enclave, Opp. Paras Cinema, New Delhi-110019 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements as at 31st March, 2019 and the Directors' and Auditors' Report thereon.
2. To appoint a Director in place of Ms. Aditi Gupta (DIN: 01786037), Director, who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

3. **Re-appointment of Mr. Anil Modi (DIN-0018708) as Chairman cum Managing Director of the Company.**

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 Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, and in accordance with the provision of Articles of Association of the Company and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the Members of the Company be and is hereby accorded for the re-appointment and terms of remuneration of Mr. Anil Modi (DIN: 01187078) as the Chairman cum Managing Director of the Company for the period of three years from 1st January, 2020 to 31st December 2022, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), with liberty to the Board of Directors to alter, amend, vary and modify the terms and conditions of the said re-appointment and remuneration payable from time to time as they deem fit in such manner and within the limits prescribed under Schedule V to the said Act or any statutory amendment(s) and/or modification(s) thereof and as may be agreed to between the Board of Directors and Mr. Anil Modi.

"RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

4. **Re-designation and Re-appointment of Mr. Akshay Modi (DIN-03341142) as Joint Managing Director of the Company.**

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

"RESOLVED THAT in partial modification of the resolution passed by the Members at the 42nd Annual General Meeting held on 29th September, 2016, Mr. Akshay Modi, Whole Time Director, be and is hereby re-designated as Joint Managing Director with effect from 14th November 2018 till the end of the tenure of his appointment viz. 14th December, 2019 on the same terms and conditions including remuneration as approved earlier by the Members.

"RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, and in accordance with the provision of Articles of Association of the Company and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the Members of the Company be and is hereby accorded for the re-appointment and terms of remuneration of Mr. Akshay Modi (DIN: 03341142) as the Joint Managing Director of the Company for the period of three years from 15th December 2019 to 14th December 2022, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), with liberty to the Board of Directors to alter, amend, vary and modify the terms and conditions of the said re-appointment and remuneration payable from time to time as they deem fit in such manner and within the limits prescribed under Schedule V to the said Act or any statutory amendment(s) and/or modification(s) thereof and as may be agreed to between the Board of Directors and Mr. Akshay Modi.

"RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

5. Re-designation and Appointment of Mrs. Aditi Gupta (DIN-01786037) as Whole Time Director of the Company.

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 Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, and in accordance with the provision of Articles of Association of the Company and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the Members of the Company be and is hereby accorded for the re-designation, appointment and terms of remuneration of Mrs. Aditi Gupta (DIN-01786037) as the Whole Time Director of the Company for the period of three years from 14th August 2019 to 13th August 2022, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of her appointment), with liberty to the Board of Directors to alter, amend, vary and modify the terms and conditions of the said appointment and remuneration payable from time to time as they deem fit in such manner and within the limits prescribed under Schedule V to the said Act or any statutory amendment(s) and/or modification(s) thereof and as may be agreed to between the Board of Directors and Mrs. Aditi Gupta.

"RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

6. Ratification of Payment of Remuneration of Cost Auditors

To consider and if thought fit, to pass 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 Goods and Service Tax and out of pocket expenses, if any, payable to Messrs. Manisha & Associates (Firm Registration No.: 000321), Cost Accountants, appointed as Cost Auditors of the Company for the Financial Year 2019-20.

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.'

Registered Office:
405, Deepali Building,
92, Nehru Place,
New Delhi-110019
CIN: L15142DL1974PLC007349

For and on behalf of the Board

Sd/-
Akshay Modi
Jt. Managing Director
DIN - 03341142

New Delhi, 13 August, 2019

NOTES:

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect of the Special Business set out at Item no. 3 to 6 of the accompanying Notice is annexed hereto.
2. Messrs Kashyap & Co, Chartered Accountants (Firm registration no. 011355C), were appointed as Statutory Auditors of the Company to hold office from the conclusion of 43rd Annual General Meeting of the Company held on 29th September, 2017 till the conclusion of the 48th Annual General Meeting of the Company, subject to ratification by members every year as prescribed under then prevailing provisions of the Companies Act 2013. Pursuant to Notification issued by the Ministry of Corporate Affairs on 7th May, 2018 amending section 139 of the Companies Act, 2013 and the Rules framed thereunder, the mandatory requirement for ratification of appointment of Auditors by the Members at every Annual General Meeting ("AGM") has been omitted, and hence the Company is not proposing an item on ratification of appointment of Auditors at this AGM.
3. 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.
4. A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than 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.

5. Members / Proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
6. 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.
7. The Register of Members and Share Transfer Books of the Company will remain closed from, 26 September, 2019 to, 30 September, 2019 (both days inclusive) for the purpose of AGM.
8. 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.
9. 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.
10. 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.
11. 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.
12. 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.
13. The Annual Report 2018-2019, the Notice of 45th AGM and Instructions of e-voting, along with Attendance Slip and Proxy Form 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 documents are being sent by the permitted mode.
14. Members may also note that the Notice of the 45th AGM and the Annual Report 2019 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.
15. Additional Information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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.
16. 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.
17. 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.
18. Annual Listing Fee for the year 2019-2020 has been paid to the BSE Ltd on which shares of the Company are listed.
19. **NO GIFT(S) SHALL BE DISTRIBUTED AT THE ENSUING 45th 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), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Secretarial Standard on General Meetings (SS-2) issued by the ICSI, the Company is pleased to provide its Members facility to exercise their right to vote on resolutions proposed to be considered at the 45th 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 again.
- IV. The remote e-voting period commences on the Friday, 27th September 2019 (9:00 am) and ends on Sunday, 29th September, 2019 (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. 23rd September, 2019, 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. 23rd September, 2019 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" or "Physical User Reset Password" option available on www.evoting.nsd.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. 23rd September, 2019 only shall be entitled to avail the facility of remote e-voting or voting at the AGM through Poll Paper.

VII. A person who is not a member as on the cut-off date should treat this Notice of the AGM for information purpose only.

VIII. **The details of the process and manner for remote e-voting are explained herein below:**

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsd.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. *Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?"(if you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b) Physical User Reset Password?" (if you are holding shares in physical mode) option available on www.evoting.nsd.com. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the Company.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to depakbansal.fcs@gmail.com with a copy marked to evoting@nsdl.co.in.
 2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the 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 User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
 3. 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 download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in. Members may also write to the Company Secretary at the email address: cs.mnl@modinaturals.org or contact at telephone no. 011-41889999.
- IX. 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. 23rd September, 2019.
- X. Mr. Deepak Bansal, Company Secretary in Practice (CP No. 7433) has been appointed as the Scrutinizer to scrutinize the remote e-voting and poll process in a fair and transparent manner.
- XI. 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.
- XII. 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 shall make not later than 48 hours 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.
- XIII. 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.

Explanatory Statement
(Pursuant to Section 102 of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 6 of the accompanying Notice:

Item No. 3: The Members at the 40th Annual General Meeting held on 19th August, 2014 approved the re-appointment of Mr. Anil Modi as Managing Director of the Company with effect from 01st January, 2015. Mr. Anil Modi will complete his present term on 31st December, 2019.

Mr. Anil Modi, aged 62, is one of the founding members of Modi Naturals Limited. He is guiding force behind the success of the Company. He has over 3 decades of invaluable experience in the line of the business of the Company: experience that strengthens decision making process of the Company and its future plans.

Considering the valuable contributions made by him during his tenure, the Board of Directors at their meeting held on 13 August, 2019 on the recommendation of the Nomination and Remuneration Committee recommended for the approval of the members, the re-appointment of Mr. Anil Modi as Chairman cum Managing Director for a further period of 3 (three) years with effect from 01st January 2020, to 31st December, 2022 on the terms and conditions as set out below:

1. Term of Appointment:

For a period of 3 (there) years with effect from 01st January 2020 to 31st December, 2022.

2. Remuneration:

I. Salary: W.e.f. 01st January, 2020 of Rs. 3,50,000/- per month and W.e.f. 1st April, 2020 in the pay scale of (Rs 3,50,000 – 50,000 - 4,50,000)- per month.

II. Perquisites and allowances: In addition to the above, Mr. Anil Modi shall also be entitled to perquisites and allowances which will include House Rent Allowance, Medical Allowance, Special Allowance, Provident Fund, Conveyance, Medical Reimbursement for self and family, Bonus, Gratuity, Utilities expenses, House maintenance, Books, Periodicals and Annual subscription for residence, use of company maintained car for personal use and communication expenses as may be provided by the Company and as agreed upon by the Board of Directors of the Company and Mr. Anil Modi provided that the aggregate of the remuneration as aforesaid shall be within the maximum limits as laid down under Sections 196, 197, 198 and all other applicable provisions, if any, of the Act, read with Schedule V of the Act as amended from time to time.

3. Minimum Remuneration: The Minimum Remuneration is subject to the limit of 5% of the Annual Net Profits of the Company and subject to the overall limit of 10% of the Annual Net Profits of the Company on the remuneration of Managing Directors / Whole-Time Director / Manager of the Company taken together as per Section 197 of the Companies Act, 2013 and Rules made thereunder or such higher percentage of net profits of the Company as may be prescribed from time to time (including any subsequent amendment(s) and/or modification(s) in the Rules, Act and/or applicable laws in this regard). However, where in any financial year, during the currency of the tenure of Mr. Anil Modi as Chairman cum Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration to him by way of salary, perquisites and allowances as specified in the resolution being item no 3 of the accompanying notice as minimum remuneration, subject to the limits and conditions as prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

4. Other terms and conditions:

- a. Subject to the superintendence, control and direction of the Board, Mr. Anil Modi shall responsible for the general conduct and management of the affairs of the Company.
- b. As long as Mr. Anil Modi functions as Chairman cum Managing Director of the Company, no sitting fees will be paid to him for attending the meetings of the Board of Directors or Committee thereof.
- c. Mr. Anil Modi shall be liable to retire by rotation whilst he continues to hold office of Managing Director; however his retirement will not break his length of service.
- d. Mr. Anil Modi shall be entitled to the reimbursement of expenses actually and properly incurred by him, in the course of legitimate business of the Company and traveling, hotel and other expenses incurred by him in India and abroad, exclusively on the business of the Company.
- e. The Office shall be liable to termination with 3 months' notice from either side.
- f. The terms and conditions of the said re-appointment may be altered, amended, varied and modified from time to time by the Board or Committee thereof as it may be permissible and if deem fit, within the limits prescribed in Schedule V to the Companies Act, 2013 or any subsequent amendments or modifications made thereto, subject to the approval of shareholders."

Pursuant to the provisions of Section 197 read with Schedule V of the Companies Act, 2013, any appointment including re-appointment of any Managerial Personnel and remuneration payable shall be subject to approval of shareholders of the Company.

Further, in terms of the recently notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent of the Members by way of Special Resolution is required every year, if (i) the annual remuneration payable to executive director, who is promoter or member of the promoter group, exceeds rupees 5 crore or 2.5 per cent of the net profits of the listed entity, whichever is higher; or (ii) where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity.

Additional information in respect of Mr. Anil Modi, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings, is appearing in the Report under the section 'Report on Corporate Governance'.

Out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 which prescribes that in case of no profits or inadequate profits, the remuneration can be paid by the Company to its managerial personnel as minimum remuneration within the limits arrived at in accordance with the requirements of the said section II.

The proposed remuneration above is well in conformity with the relevant provisions of the Companies Act, 2013, read with Schedule V to the said Act.

Considering Mr. Anil Modi's experience in various fields, and the trend in the industry, the terms of his remuneration are considered to be fair, just and reasonable and are commended for your approval.

Mr. Anil Modi and his relatives, Mr. Akshay Modi, Joint Managing Director, are interested in the resolution set out at Item No. 3 of the Notice.

Save and except the above, none of the other Directors and Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.3 of the Notice.

The Board commends the Special Resolution set out at Item No. 3 of the accompanying Notice for the approval by the Members.

Statement containing the information as required under Section-II, Part-II of Schedule V to the Companies Act, 2013

I. GENERAL INFORMATION:																		
1.	Nature of Industry	The Company is engaged in the business of edible oils processing and fast moving consumer goods.																
2.	Date or expected date of commencement of commercial production	Commercial operations commenced in the year 1974.																
3.	In case of new Companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus	Not Applicable.																
4.	Financial performance based on given indicators	(Rs. In Lakh)																
		<table border="1"> <thead> <tr> <th>Particulars</th> <th>2018-19 (as per Audited Financials)</th> </tr> </thead> <tbody> <tr> <td>Paid up Capital</td> <td>1265.64</td> </tr> <tr> <td>Reserves and Surplus</td> <td>4001.45</td> </tr> <tr> <td>Total Revenue from Operations</td> <td>29627.20</td> </tr> <tr> <td>Total Expenses</td> <td>29377.46</td> </tr> <tr> <td>Profit before Tax</td> <td>249.74</td> </tr> <tr> <td>Tax Expenses including Deferred Tax</td> <td>160.35</td> </tr> <tr> <td>Profit after Tax</td> <td>101.63</td> </tr> </tbody> </table>	Particulars	2018-19 (as per Audited Financials)	Paid up Capital	1265.64	Reserves and Surplus	4001.45	Total Revenue from Operations	29627.20	Total Expenses	29377.46	Profit before Tax	249.74	Tax Expenses including Deferred Tax	160.35	Profit after Tax	101.63
Particulars	2018-19 (as per Audited Financials)																	
Paid up Capital	1265.64																	
Reserves and Surplus	4001.45																	
Total Revenue from Operations	29627.20																	
Total Expenses	29377.46																	
Profit before Tax	249.74																	
Tax Expenses including Deferred Tax	160.35																	
Profit after Tax	101.63																	

5.	Foreign investments or collaborators, if any	The Company has not entered into any foreign collaboration and no direct capital investment has been made in the company in the last three financial years. Foreign investors, mainly comprising NRIs, FIs and /or Foreign Nationals are investors in the Company on accounts of past issuance of securities /secondary market purchase.
II. INFORMATION ABOUT THE APPOINTEE:		
1.	Background details	Mr. Anil Modi, aged 62, is one of the founding members of Modi Naturals Limited. He is guiding force behind the success of the Company. He is also on the Board of Modi Infratech Private Limited, Solvent Extractors Association of India Limited and Halwasiya Properties Pvt. Ltd.
2.	Recognition or awards	Mr. Anil Modi is on the Board of Solvent Extractors Association of India Limited.
3.	Past Remuneration	Mr. Anil Modi was paid Rs.33.75 lakhs as annual remuneration for the financial year 2018-19.
4.	Job profile and his suitability	Mr. Modi devotes his full time and attention to the business of the Company and is responsible for the general conduct and management of the affairs of the Company, subject to the superintendence, control and supervision of the Board. Mr. Modi has over 3 decades of invaluable experience in the line of the business of the Company which is compatible with the Organizational requirements and the Company would definitely benefit under his leadership and valuable guidance. He is also member of Audit Committee and Stakeholders' Relationship Committee.
5.	Remuneration proposed	Details of proposed remuneration are presented above.
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case expatriates the relevant details would be w.r.t. the country of his origin)	The remuneration proposed to be paid to Mr. Anil Modi, Managing Director is purely based on merit. Further, the Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mr. Anil Modi before recommending the remuneration as proposed hereinabove.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Besides the remuneration proposed, Mr. Anil Modi also holds 4586008 equity shares of the Company. Mr. Akshay Modi, Joint Managing Director and being relative may be deemed to be interested in the Resolution relating to the remuneration of Mr. Anil Modi.
III. OTHER INFORMATION		
1.	Reasons of loss or inadequate profits	The Company does not envisage any loss or inadequate profits. However, hike in the interest rate, rising running cost and challenging business environment may affect the profitability of the Company in future. The Company proposes to obtain approval of Members as an abundant caution in case the standalone profits are insufficient to pay the managerial remuneration as above.
2.	Steps taken or proposed to be taken for improvement	The Company is always looking forward to take all such steps and measures including expansion, diversification, restructuring which are in the best interest of the company. Though, the prices of raw materials and products are influenced by external factors, the Company is making all possible efforts to improve the margins.
3.	Expected increase productivity and profits measurable terms	The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms.

IV.	Disclosures:
1.	The information, as required, is provided under Corporate Governance Section of the Annual Report 2019. The Report on Corporate Governance in the Annual Report indicates the remuneration paid to the managerial personnel as well as to all other Directors. There is no severance fee or stock option in the case of the aforesaid managerial personnel.

Item No. 4 : The Members at the 42nd Annual General Meeting held on 29th September, 2016 approved the re-appointment of Mr. Akshay Modi as Whole-time Director of the Company with effect from 15th December, 2016. Mr. Akshay Modi will complete his present term on 14th December, 2019.

On the recommendation of the Nomination & Compensation Committee ('the Committee') and subject to the approval of the Members, the Board at the meeting held on 13th November, 2018, re-designated Mr. Akshay Modi as Joint Managing Director of the Company with effect from 14th November, 2018 on the existing terms and conditions.

Mr Akshay Modi, aged 33 years, is an Engineer from the University of Leeds, U.K and an alumnus of The Doon School. He is a visionary entrepreneur who conceptualized the launch of Edible Oils in consumer packs under the brand names, 'Oleev', 'Tara', 'Rizolo', 'Miller' and 'Olivana wellness'.

Considering the valuable contributions made by him during his tenure, the Board of Directors at their meeting held on 13th August, 2019 on the recommendation of the Nomination and Remuneration Committee also recommended for the approval of the members, the re-appointment of Mr. Akshay Modi as Joint Managing Director for a further period of 3 (three) years with effect from December 15, 2019 on terms and conditions as set out below:

1. Term of Appointment:

For a period of 3 (three) years with effect from 15th December 2019 to 14th December, 2022.

2. Remuneration:

I. Salary: W.e.f. 15th December, 2019 of Rs. 3,50,000/- per month and W.e.f. 1st April, 2020 in the pay scale of (Rs 3,50,000 – 50,000 – 4,50,000)- per month.

II. Perquisites and allowances: In addition to the above, Mr. Akshay Modi shall also be entitled to perquisites and allowances which will include House Rent Allowance, Medical Allowance, Special Allowance, Provident Fund, Conveyance, Medical Reimbursement for self and family, Bonus, Gratuity, Utilities expenses, House maintenance, Books, Periodicals and Annual subscription for residence, use of company maintained car for personal use and communication expenses as may be provided by the Company and as agreed upon by the Board of Directors of the Company and Mr. Akshay Modi provided that the aggregate of the remuneration as aforesaid shall be within the maximum limits as laid down under Sections 196, 197, 198 and all other applicable provisions, if any, of the Act, read with Schedule V of the Act as amended from time to time.

3. Minimum Remuneration: The Minimum Remuneration is subject to the limit of 5% of the Annual Net Profits of the Company and subject to the overall limit of 10% of the Annual Net Profits of the Company on the remuneration of Managing Directors / Whole-Time Director / Manager of the Company taken together as per Section 197 of the Companies Act, 2013 and Rules made thereunder or such higher percentage of net profits of the Company as may be prescribed from time to time (including any subsequent amendment(s) and/or modification(s) in the Rules, Act and/or applicable laws in this regard). However, where in any financial year, during the currency of the tenure of Mr. Akshay Modi as Joint Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration to him by way of salary, perquisites and allowances as specified in the resolution being item no 4 of the accompanying notice as minimum remuneration, subject to the limits and conditions as prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

4. Other terms and conditions:

- Subject to the superintendence, control and direction of the Board, Mr. Akshay Modi shall provide advice, guidance and assistance to the Chairman & Managing Director and other Senior Management personnel as and when requested with respect to the business and affairs of the Company including advice on strategic planning, finance, accounting, taxation, legal affairs and human resources and in that regard he shall faithfully and diligently conduct the business and affairs of the Company and, for that purpose, he shall have the powers to do all such matters, deeds and things on behalf of the Company as may be or are usual, necessary or expedient so to do and/or as fixed by the Board/ or Committee thereof time to time.
- As long as Mr. Akshay Modi functions as Joint Managing Director of the Company, no sitting fees will be paid to him for attending the meetings of the Board of Directors or Committee thereof.
- Mr. Akshay Modi shall be liable to retire by rotation whilst he continues to hold office of Joint Managing Director; however his retirement will not break his length of service.

- d. Mr. Akshay Modi shall be entitled to the reimbursement of expenses actually and properly incurred by him, in the course of legitimate business of the Company and traveling, hotel and other expenses incurred by him in India and abroad, exclusively on the business of the Company.
- e. The Office shall be liable to termination with 3 months' notice from either side.
- f. The terms and conditions of the said re-appointment may be altered, amended, varied and modified from time to time by the Board or Committee thereof as it may be permissible and if deem fit, within the limits prescribed in Schedule V to the Companies Act, 2013 or any subsequent amendments or modifications made thereto subject to the approval of shareholders."

Pursuant to the provisions of Section 197 read with Schedule V of the Companies Act, 2013, any appointment including reappointment of any Managerial Personnel and remuneration payable shall be subject to approval of shareholders of the Company.

Further, in terms of the recently notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent of the Members by way of Special Resolution is required every year, if (i) the annual remuneration payable to executive director, who is promoter or member of the promoter group, exceeds rupees 5 crore or 2.5 per cent of the net profits of the listed entity, whichever is higher; or (ii) where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity.

Additional information in respect of Mr. Akshay Modi, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings, is appearing in the in the Report under the section 'Report on Corporate Governance'.

Out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 which prescribes that in case of no profits or inadequate profits, the remuneration can be paid by the Company to its managerial personnel as minimum remuneration within the limits arrived at in accordance with the requirements of the said section II.

The proposed remuneration above is well in conformity with the relevant provisions of the Companies Act, 2013, read with Schedule V to the said Act.

Considering Mr. Akshay Modi's experience in various fields, and the trend in the industry, the terms of his remuneration are considered to be fair, just and reasonable and are commended for your approval.

Mr. Akshay Modi and their relatives, Mr. Anil Modi, Managing Director and Mrs. Aditi Modi, Director, are interested in the resolution set out at Item No. 5 of the Notice.

Save and except the above, none of the other Directors and Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4 of the Notice.

The Board commends the Special Resolution set out at Item No. 4 of the accompanying Notice for the approval by the Members.

Statement containing the information as required under Section-II, Part-II of Schedule V to the Companies Act, 2013

1. GENERAL INFORMATION:		
1.	Nature of industry	The Company is engaged in the business of edible oils processing and fast moving consumer goods.
2.	Date or expected date of commencement of commercial production	Commercial operations commenced in the year 1974.
3.	In case of new Companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus	Not Applicable.
4.	Financial performance based on given indicators	(Rs. In Lakh)
	Particulars	2018-19 (as per Audited Financials)

		Paid up Capital	1265.64
		Reserves and Surplus	4001.45
		Total Revenue from Operations	29627.20
		Total Expenses	29377.46
		Profit before Tax	249.74
		Tax Expenses including Deferred Tax	160.35
		Profit after Tax	101.63
5.	Foreign investments or collaborators, if any	The Company has not entered into any foreign collaboration and no direct capital investment has been made in the company in the last three financial years. Foreign investors, mainly comprising NRIs, FIIs and /or Foreign Nationals are investors in the Company on accounts of past issuance of securities /secondary market purchase.	
II. INFORMATION ABOUT THE APPOINTEE:			
1.	Background details	<p>Mr Akshay Modi, aged 33 years, is an Engineer from the University of Leeds, U.K and an alumnus of The Doon School. He is a visionary entrepreneur who conceptualized the launch of Edible Oils in consumer packs under the brand names, 'Oleev', 'Tara', 'Rizolo', 'Miller' and 'Olivana wellness'.</p> <p>Mr. Akshay Modi has sound professional experience in the FMCG sector in the fields of project execution, conceptualization, planning, operation, management, Marketing, corporate strategic planning, Customs & Excise, business development, as well as in Government and Regulatory affairs relating to the FMCG industry.</p> <p>He is also on the Board of Modi Infratech Private Limited.</p>	
2.	Recognition or awards	Mr. Akshay Modi is the Member of The SEA Food Regulatory Committee and The Executive Council of Indian Olive Association for the year 2019-20.	
3.	Past Remuneration	Mr. Akshay Modi was paid Rs.30.00 lakhs as annual remuneration for the financial year 2018-19.	
4.	Job profile and his suitability	<p>Mr. Akshay Modi was appointed as the Chief Executive Officer of the Company in the year 2008 and became a Whole-time Director in the year 2010.</p> <p>In recognition of his contribution as well as to derive benefit from his skills and varied experience, Mr. Akshay Modi was re-appointed as the Whole Time Director of the Company with effect from 15 December, 2016 for a period of 3 years.</p> <p>He is having sound experience of Corporate management and possesses all required competencies and is ideally suited for the job.</p> <p>He has contributed immensely to the growth of the business of the Company. The Board believes that his guidance and leaderships will be in the best interest of the Company and will help the Company in setting the new goals and achieving them successfully.</p>	
5.	Remuneration proposed	Details of proposed remuneration are presented above in the Resolution.	
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case expatriates the relevant details would be w.r.t. the country of his origin)	<p>The remuneration proposed to be paid to Mr. Akshay Modi, Joint Managing Director is purely based on merit.</p> <p>Further, the Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mr. Akshay Modi before recommending the remuneration as proposed hereinabove.</p>	
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Besides the remuneration proposed, Mr. Akshay Modi also holds 1076586 equity shares of the Company. Mr. Anil Modi, Managing Director and Mrs. Aditi Gupta, Director, being relatives may be deemed to be interested in the Resolution relating to the remuneration of Mr. Akshay Modi.	

III. OTHER INFORMATION		
1.	Reasons of loss or inadequate profits	The Company does not envisage any loss or inadequate profits. However, hike in the interest rate, rising running cost and challenging business environment may affect the profitability of the Company in future. The Company proposes to obtain approval of Members as an abundant caution in case the standalone profits are insufficient to pay the managerial remuneration as above.
2.	Steps taken or proposed to be taken for improvement	The Company is always looking forward to take all such steps and measures including expansion, diversification, restructuring which are in the best interest of the company. Though, the prices of raw materials and products are influenced by external factors, the Company is making all possible efforts to improve the margins.
3.	Expected increase productivity and profits measurable terms	The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms.
IV. Disclosures:		
1.	The information, as required, is provided under Corporate Governance Section of the Annual Report 2019. The remuneration package proposed to be given to Mr. Akshay Modi is as per the details given in the resolution. The Report on Corporate Governance in the Annual Report indicates the remuneration paid to the managerial personnel as well as to all other Directors. There is no severance fee or stock option in the case of the aforesaid managerial personnel.	

Item No. 2 & 5: In 2015, Mrs. Aditi Gupta was appointed as Non-executive non-independent Director of the company designated as Woman Director, liable to retire by rotation.

Mrs. Aditi Gupta, aged 32, is a Graduate in BSc (Hons) from University of Nottingham and is having corporate experience of around 13 years in Investment Banking, Finance and Business Management & Planning.

Taking into consideration the increased business activities of the Company and her valuable experience and skills, the Board of Directors at their meeting held on 13th August, 2019 on the recommendation of the Nomination and Remuneration Committee recommended for the approval of the members, the re-designation and appointment of Mrs. Aditi Gupta as Whole-time Director for a period of 3 (three) years with effect from August 14, 2019 on terms and conditions as set out below:

1. Term of Appointment:

For a period of 3 (three) years with effect from 14th August 2019 to 13th August, 2022.

2. Remuneration:

i. Salary: W.e.f. 14th August, 2019 of Rs. 50,000/- per month and W.e.f. 01st April, 2020 in the pay scale of (Rs. 50,000 -25,000 -1,00,000) per month.

ii. Perquisites and allowances: In addition to the above, Mrs. Aditi Gupta shall also be entitled to perquisites and allowances which will include House Rent Allowance, Medical Allowance, Special Allowance, Provident Fund, Conveyance, Medical Reimbursement for self and family, Bonus, Gratuity, Utilities expenses, House maintenance, Books, Periodicals and Annual subscription for residence, use of company maintained car for personal use and communication expenses as may be provided by the Company and as agreed upon by the Board of Directors of the Company and Mrs. Aditi Gupta provided that the aggregate of the remuneration as aforesaid shall be within the maximum limits as laid down under Sections 196, 197, 198 and all other applicable provisions, if any, of the Act, read with Schedule V of the Act as amended from time to time.

3. Minimum Remuneration: The Minimum Remuneration is subject to the limit of 5% of the Annual Net Profits of the Company and subject to the overall limit of 10% of the Annual Net Profits of the Company on the remuneration of Managing Directors / Whole-Time Director / Manager of the Company taken together as per Section 197 of the Companies Act, 2013 and Rules made thereunder or such higher percentage of net profits of the Company as may be prescribed from time to time (including any subsequent amendment(s) and/or modification(s) in the Rules, Act and/or applicable laws in this regard). However, where in any financial year, during the currency of the tenure of Mrs. Aditi Gupta as Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration to him by way of salary, perquisites and allowances as specified in the resolution being item no 5 of the

accompanying notice as minimum remuneration, subject to the limits and conditions as prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

4. Other terms and conditions:

- a. Subject to the superintendence, control and direction of the Board, Mrs. Aditi Gupta shall devote such time to the affairs of the company and perform such duties as fixed by the Board/ or Committee thereof time to time.
- b. As long as Mrs. Aditi Gupta functions as Whole Time Director of the Company, no sitting fees will be paid to him for attending the meetings of the Board of Directors or Committee thereof.
- c. Mrs. Aditi Gupta shall be liable to retire by rotation whilst she continues to hold office of Whole Time Director; however her retirement will not break her length of service.
- d. Mrs. Aditi Gupta shall be entitled to the reimbursement of expenses actually and properly incurred by him, in the course of legitimate business of the Company and traveling, hotel and other expenses incurred by him in India and abroad, exclusively on the business of the Company.
- e. The Office shall be liable to termination with 3 months' notice from either side.
- f. The terms and conditions of the said appointment may be altered, amended, varied and modified from time to time by the Board or Committee thereof as it may be permissible and if deem fit, within the limits prescribed in Schedule V to the Companies Act, 2013 or any subsequent amendments or modifications made thereto, subject to the approval of shareholders.

Pursuant to the provisions of Section 197 read with Schedule V of the Companies Act, 2013, any appointment including reappointment of any Managerial Personnel and remuneration payable shall be subject to approval of shareholders of the Company.

Further, in terms of the recently notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent of the Members by way of Special Resolution is required every year, if (i) the annual remuneration payable to executive director, who is promoter or member of the promoter group, exceeds rupees 5 crore or 2.5 per cent of the net profits of the listed entity, whichever is higher; or (ii) where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity.

In terms of Section 152(6) of the Act, Mrs. Aditi Gupta shall retire by rotation at the forthcoming AGM and being eligible offers herself for re-appointment.

Additional information in respect of Mrs. Aditi Gupta, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings, is appearing in the Report under the section 'Report on Corporate Governance'.

Out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 which prescribes that in case of no profits or inadequate profits, the remuneration can be paid by the Company to its managerial personnel as minimum remuneration within the limits arrived at in accordance with the requirements of the said section II.

The proposed remuneration above is well in conformity with the relevant provisions of the Companies Act, 2013, read with Schedule V to the said Act.

Considering Mrs. Aditi Gupta's experience in various fields, and the trend in the industry, the terms of her remuneration are considered to be fair, just and reasonable and are commended for your approval.

Mrs. Aditi Gupta and her relative(s), Mr. Akshay Modi, Joint Managing Director, are interested in the resolution set out at Item No. 5 of the Notice.

Save and except the above, none of the other Directors and Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board commends the Special Resolution set out at Item No. 5 of the accompanying Notice for the approval by the Members.

Statement containing the information as required under Section-II, Part-II of Schedule V to the Companies Act, 2013

I. GENERAL INFORMATION:	
1.	Nature of industry
	The Company is engaged in the business of edible oils processing and fast moving consumer goods.

2.	Date or expected date of commencement of commercial production	Commercial operations commenced in the year 1974.																
3.	In case of new Companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus	Not Applicable.																
4.	Financial performance based on given indicators	(Rs. In Lakh)																
		<table border="1"> <thead> <tr> <th>Particulars</th> <th>2018-19 (as per Audited Financials)</th> </tr> </thead> <tbody> <tr> <td>Paid up Capital</td> <td>1265.64</td> </tr> <tr> <td>Reserves and Surplus</td> <td>4001.45</td> </tr> <tr> <td>Total Revenue from Operations</td> <td>29627.20</td> </tr> <tr> <td>Total Expenses</td> <td>29377.46</td> </tr> <tr> <td>Profit before Tax</td> <td>249.74</td> </tr> <tr> <td>Tax Expenses including Deferred Tax</td> <td>160.35</td> </tr> <tr> <td>Profit after Tax</td> <td>101.63</td> </tr> </tbody> </table>	Particulars	2018-19 (as per Audited Financials)	Paid up Capital	1265.64	Reserves and Surplus	4001.45	Total Revenue from Operations	29627.20	Total Expenses	29377.46	Profit before Tax	249.74	Tax Expenses including Deferred Tax	160.35	Profit after Tax	101.63
Particulars	2018-19 (as per Audited Financials)																	
Paid up Capital	1265.64																	
Reserves and Surplus	4001.45																	
Total Revenue from Operations	29627.20																	
Total Expenses	29377.46																	
Profit before Tax	249.74																	
Tax Expenses including Deferred Tax	160.35																	
Profit after Tax	101.63																	
5.	Foreign investments or collaborators, if any	The Company has not entered into any foreign collaboration and no direct capital investment has been made in the company in the last three financial years. Foreign investors, mainly comprising NRIs, FIs and /or Foreign Nationals are investors in the Company on accounts of past issuance of securities /secondary market purchase.																
II. INFORMATION ABOUT THE APPOINTEE:																		
1.	Background details	Mrs. Aditi Gupta, aged 32, is a Graduate in BSc (Hons) from University of Nottingham and is having corporate experience of around 13 years in Investment Banking, Finance and Business Management & Planning. She is also on the Board of Osain Incubex Private Limited and Health E-Cord Private Limited.																
2.	Recognition or awards	None																
3.	Past Remuneration	Nil																
4.	Job profile and his suitability	Mrs. Aditi Gupta was appointed as the Woman Director of the Company in the year 2015. She is having sound experience of Corporate management and possesses all required competencies and is ideally suited for the job. The Board believes that her guidance and leaderships will be in the best interest of the Company and will help the Company in setting the new goals and achieving them successfully.																
5.	Remuneration proposed	Details of proposed remuneration are presented above in the Resolution.																
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case expatriates the relevant details would be w.r.t. the country of his origin)	The remuneration proposed to be paid to Mrs. Aditi Gupta, Whole-time Director is purely based on merit. Further, the Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mrs. Aditi Gupta before recommending the remuneration as proposed hereinabove.																
7.	Pecuniary relationship directly or indirectly with the company, or	Besides the remuneration proposed, Mrs. Aditi Gupta has no pecuniary relationship with the Company. Mr. Akshay Modi, Joint Managing Director and being relative may																

	relationship with the managerial personnel, if any	be deemed to be interested in the Resolution relating to the remuneration of Mrs. Aditi Gupta.
III. OTHER INFORMATION		
1.	Reasons of loss or inadequate profits	The Company does not envisage any loss or inadequate profits. However, hike in the interest rate, rising running cost and challenging business environment may affect the profitability of the Company in future. The Company proposes to obtain approval of Members as an abundant caution in case the standalone profits are insufficient to pay the managerial remuneration as above.
2.	Steps taken or proposed to be taken for improvement	The Company is always looking forward to take all such steps and measures including expansion, diversification, restructuring which are in the best interest of the company. Though, the prices of raw materials and products are influenced by external factors, the Company is making all possible efforts to improve the margins.
3.	Expected increase productivity and profits measurable terms	The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms.
IV. Disclosures:		
1.	The information, as required, is provided under Corporate Governance Section of the Annual Report 2019. The remuneration package proposed to be given to Mrs. Aditi Gupta is as per the details given in the resolution. The Report on Corporate Governance in the Annual Report indicates the remuneration paid to the managerial personnel as well as to all other Directors. There is no severance fee or stock option in the case of the aforesaid managerial personnel.	

Item No. 6 : The Board of Directors of the Company at their meeting held on 30 May, 2019 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 at a remuneration of INR 60,000/- (Rupees Sixty Thousand only) plus applicable taxes and out of pocket expenses. As per Section 148 of Companies Act, 2013 and applicable rules thereunder, the remuneration payable to the Cost Auditors for the Financial Year 2019-20 is required to be ratified by the Members of the Company.

The Board considers the remuneration payable to the Cost Auditors as fair and recommends the resolution at Item no.6 for approval of the Members.

None of the directors or key managerial personnel or their relatives is concerned or interested in the said resolution except to the extent of their shareholding, if any, in the company.

Registered Office:
405, Deepali Building,
92, Nehru Place,
New Delhi-110019
CIN: L15142DL1974PLC007349

New Delhi, 13 August, 2019

For and on behalf of the Board

Sd/
Akshay Modi
Jt. Managing Director
DIN - 03341142

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Particulars	Mr. Anil Modi	Mr. Akshay Modi	Mrs. Aditi Gupta
DIN	00187078	03341142	01786037
Age, qualifications, expertise, knowledge & awards	He, aged 62, is one of the founding members of Modi Naturals Limited. He is guiding force behind the success of the	He, aged 33 years, is an Engineer from the University of Leeds, U.K and an alumnus of The Doon School. He has sound professional	She, aged 32, is a Graduate in BSc (Hons) from University of Nottingham and is having corporate experience of around

	Company. He has over 3 decades of invaluable experience in the line of the business of the Company.	experience in the FMCG sector in the fields of project execution, conceptualization, planning, operation, management, Marketing, corporate strategic planning, Customs & Excise, business development, as well as in Government and Regulatory affairs relating to the FMCG Industry.	13 years in Investment Banking, Finance and Business Management & Planning.
Nationality	Indian	Indian	Indian
No of shares held in the company	4586008	1076586	Nil
Relationship, if any, between director's inter se	Father of Mr. Akshay Modi, Joint Managing Director	Son of Mr. Anil Modi, Managing Director and husband of Mrs. Aditi Gupta, Woman Director	Wife of Mr. Akshay Modi, Joint Managing Director
Directorship held in other Company	1.Modi Infratech Pvt. Ltd. 2.Solvent Extractors Association of India Limited 3. Halwasiya Properties Pvt Ltd	1.Modi Infratech Pvt. Ltd.	1.Osain Incubex Private Ltd. 2.Health E-Cord Private Ltd..
Chairman/Member in the committees of the board of the company and other companies in which he/she is director	Audit Committee -Member Stakeholders' Relationship Committee -- Member Other Companies- Nil	None	None

DIRECTORS' REPORT

To the Members,

The Directors present their Forty-Fifth Annual report and Audited Financial Statements for the year ended 31 March 2019.

1. FINANCIAL RESULTS

The financial results of the Company are elaborated in the Management Discussion and Analysis Report.

The highlights of the Financial Results are as under:

Particulars	(Rs. In Lac)	
	2018-19	2017-18
Total Revenue	29627.20	27862.62
Total Expenses	29377.46	27850.61
Profit before interest, depreciation and tax	552.96	429.17
Profit before exceptional item and tax	249.74	12.02
Profit / (Loss) before tax	249.74	12.02
Tax expense		
-Current Tax	57.93	4.45
-Deferred Tax	102.42	8.36
Profit / (Loss) after tax	101.63	5.80
EPS (face value of Rs.10/- each)		
-Basic	0.83	0.05
-Diluted	0.83	0.05

2. STATE OF COMPANY AFFAIRS AND FUTURE OUTLOOK

Detailed information on the operations of the Company and details on the state of affairs of the Company are covered in the Management Discussion and Analysis Report.

3. CHANGE IN NATURE OF BUSINESS, IF ANY

Your Company is engaged in the business of edible oils processing and fast moving consumer goods. There was no change in the nature of business of your company during the year.

4. DIVIDEND

No dividend is proposed for the financial year ended March 31, 2019.

5. TRANSFER TO RESERVES

No amount is proposed to be transferred to reserves.

6. SHARE CAPITAL

During the year under review, on 18th July, 2018, the company has allotted fully paid-up 1538463 equity shares upon conversion of warrants on preferential basis. The Company has also obtained the Listing approval on August 13, 2018 and Trading Notice on August 27, 2018 from the BSE in respect of the aforesaid shares. However, the said Equity shares, subject to the terms and conditions stipulated at the time of their issue, are under a Lock-in for trading up to September 01, 2019. The paid-up equity share capital as on March 31, 2019 stood at Rs. 126,56,3970 comprising of 12656397 equity shares of face value of Rs. 10/- each.

There was no public issue, rights issue, bonus issue. The Company has not issued shares with differential voting rights, sweat equity shares, nor has it granted any stock options. As on March 31, 2019, none of the Directors of the Company holds any instruments convertible into equity shares of the Company.

7. DEPOSITS FROM PUBLIC

During the year, your Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2019 and there is no outstanding amount of deposits at the end of the financial year.

8. EXTRACT OF ANNUAL RETURN

The extract of Annual Return as provided under sub-section (3) of section 92 of the Companies Act, 2013, in the prescribed form MGT-9 is annexed to this Report. In compliance with section 134(3)(a) of the Act, Form MGT 9 is uploaded on Companies website and can be accessed at (www.modinaturals.com).

9. NUMBER OF BOARD MEETINGS AND ITS COMMITTEES

Six (6) meetings of the Board of Directors of the Company were conducted during the year. The details of board and its committees meetings are provided under the Corporate Governance Report which forms part of the Annual Report.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Information regarding Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013 are detailed in the Financial Statements.

11. RELATED PARTY TRANSACTIONS

All contracts/ arrangements/ transactions entered by the Company during the financial year with related parties were on arm's length basis in the ordinary course of the business and are in compliance with the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All related party transactions were placed before the Audit Committee and also for the Board approval, wherever required.

There were 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. There are no transactions that are required to be reported in Form AOC-2 hence said form does not form part of this report. However, the details of related party transactions are provided in Note no. 35 to the Financial Statements in accordance with the Accounting Standards.

The Policy on RPTs as approved by the Board is uploaded on the Company's website www.modinaturals.com

12. AUDITORS AND AUDITORS' REPORT

Statutory Auditors'

Pursuant to the provisions of section 139 of the Companies Act, 2013, the members at the Annual General Meeting of the Company held on 29th September 2017 appointed M/s Kashyap & Co., Chartered Accountants (Firm Registration No. 011355C) as statutory auditors of the Company from the conclusion of 43rd Annual General Meeting till the conclusion of 48th Annual General Meeting, covering one term of five consecutive years, subject to ratification by the members at each intervening Annual General Meeting.

In view of the amendment to the said section 139 through the Companies (Amendment) Act, 2017 notified on 7 May 2018, ratification of auditors' appointment is no longer required. Hence no resolution for ratification of appointment of Auditors is proposed for the Financial Year 2019-20.

The statutory audit report for the year 2018-19 is annexed hereto and forms part of the Annual Report. 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.

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 re-appointed M/s Deepak Bansal & Associates, Company Secretaries (FCS 3736: CP

7433) to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2019. The Secretarial Audit Report issued by him in the prescribed form MR-3 is annexed to this Report.

The said secretarial audit report does not contain any qualification, reservation or adverse remarks or disclaimer made by the Secretarial Auditor and it is self-explanatory. Thus there is no need to give any further explanation or comment by the Board.

Cost Auditors'

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Board at its meeting held on 30.05.2019, on the Audit Committee's recommendation, approved the appointment of M/s. Manisha & Associates, Cost Auditors (Firm Registration Number-000321) to audit the cost accounts of the Company for the financial year ending March 31, 2020 at a remuneration of Rs. 60,000/- plus applicable taxes and out of pocket expenses. Resolution seeking Member's ratification for the remuneration payable to M/s. Manisha & Associates, Cost Auditors for the financial year 2019-20 is included at Item No.6 of the Notice convening the Annual General Meeting.

The company is maintaining the Cost Records and is in the process to file the Cost Audit Report for the financial year 2018-19 to the Central Government within the stipulated time. (i.e. within 180 days from the end of reporting year)

13. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year and the date of this Report.

1. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Particulars with regard to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo are given below:

A. Conservation of energy:

- i) Steps taken or impact on conservation of energy:
- ii) The steps taken by the company for utilizing alternate sources of energy

Your Company has taken adequate measures to ensure optimum use of all equipments so as to conserve energy.

- iii) Capital Investment on energy conservation equipments: Nil

B. Technology absorption, adaption and innovation:

The company strives continuously to upgrade its technology adopted in all its operations.

C. Foreign exchange earnings and outgo

- a) Earnings – Rs 37,07,171/-
- b) Outgo – Rs. 10,31,909/-

15. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES

The Company does not have any Subsidiary/Joint Venture/Associate Company.

16. RISK MANAGEMENT

The Risk Management Policy of the company enables the company to proactively take care of the internal and external risks of the company and ensures smooth business operations. The company's risk management policy ensures that all its material and compliance risk exposures are properly covered, and the company's business growth and financial stability is assured. Necessary information is provided under Management Discussion and Analysis Report which forms part of the Annual Report.

17. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

During the year under review there was no change in Directors and Key Managerial Personnel of your company.

The Board recommends the re-designation and/or re-appointment of Mr. Anil Modi as Chairman cum Managing Director, Mr. Akshay Modi as Joint Managing Director and Mrs. Aditi Gupta as Whole Time Director of the Company, liable to retire by rotation, in terms of Sections 196, 197, 203 read with Schedule V of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The information as required to be disclosed under regulation 36(3) of the SEBI Listing Regulations, 2015 in case of appointment /re-appointment of the directors is provided in the Notice of the ensuing annual general meeting.

Detailed information on the directors is provided in the Corporate Governance Report.

Key Managerial Personnel

Pursuant to provisions of Section 203 of the Companies Act, 2013, Mr. Anil Modi, Chairman & Managing Director, Mr. Akshay Modi, Joint Managing Director, and Mr. Pradeep Kapoor, Chief Financial Officer and Mr. Ankit Agarwal, Company Secretary are the Key Managerial Personnel of the Company.

18. DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

There are no significant material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future. However, Members attention is drawn to the statement on contingent liabilities, commitments in the notes forming part of the Financial Statements.

19. INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY

The Company has adequate Internal Financial Controls consistent with the nature of business and size of the operations, to effectively provide for safety of its assets, reliability of financial transactions with adequate checks and balances, adherence to applicable statutes, accounting policies, approval procedures and to ensure optimum use of available resources. These systems are reviewed and improved on a regular basis. It has a comprehensive budgetary control system to monitor revenue and expenditure against approved budget on an ongoing basis.

The Internal Auditor, the Audit Committee as well as the Board of Directors conduct from time to time an evaluation of the adequacy and effectiveness of the system of internal controls for financial reporting with respect to financial statements.

Details of internal financial controls and its adequacy are included in the Management Discussion and Analysis Report, which forms part of the Annual Report.

20. FRAUD

Neither the Statutory Auditors nor the Secretarial Auditors have brought to the notice of the Audit Committee or the Board of Directors or the Central Government the occurrence or brewing of any fraud in the Company.

21. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

22. DISCLOSURE OF RATIO OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL ETC

Details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are annexed to this Report.

The details of remuneration paid to the directors including executive directors of the Company are given in Form MGT-9 forming part of this Report.

23. PARTICULARS OF EMPLOYEES

There was no employee during the year drawing remuneration exceeding the limits as prescribed under Rule 5(2) of the (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence, the information under Rule 5(2) & 5(3) is not applicable.

24. CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and Senior Management Personnel in the course of day to day business operations of the Company. The Code has been posted on the Company's website (www.modinaturals.com).

The Chairman & Managing Directors' declaration regarding compliance with 'Modi Naturals' Code of Conduct for Board Members and Senior Management' is attached to the Corporate Governance Report.

25. CORPORATE GOVERNANCE

Pursuant to SEBI Listing Regulations, 2015, a separate chapter titled 'Corporate Governance' has been included in this Annual Report, along with the reports on Management Discussion and Analysis and General Shareholder Information.

All Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the year 2018-19. A declaration to this effect signed by the Managing Director (CEO) of the Company is contained in this Annual Report.

The Managing Director and CFO have certified to the Board with regard to the financial statements and other matters as required under regulation 17 (8) of the SEBI Listing Regulations, 2015.

The Certificate from the Company Secretaries in Practice of the Company regarding compliance of conditions of corporate governance is annexed to this Report. Additionally, as required under Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the Certificate from a Company Secretary in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board / Ministry of Corporate Affairs or any such statutory authority is annexed to this Report.

26. CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

The provisions of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable on the Company.

27. ANNUAL EVALUATION OF THE PERFORMANCE OF BOARD, ITS COMMITTEES, CHAIRPERSON & INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has through mutual discussions carried out an annual evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee ("NRC") evaluated the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was reviewed, taking into account the views of executive directors and non-executive directors of the company.

Declaration by Independent Directors

The Company has received necessary declaration from each independent director under Section 149 (7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149(6) of the Act and regulation 25 of the Listing Regulations.

28. REMUNERATION POLICY

Information regarding Directors' Remuneration Policy and criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 are provided in the Corporate Governance Report. The Remuneration Policy is placed on the Company's website at www.modinaturals.com

29. WHISTLE BLOWER POLICY (VIGIL MECHANISM)

Your Company has established a whistle blower policy/vigil mechanism for the Directors, employees of the company, to report genuine concerns, calling the attention of the Audit Committee to some wrongdoing occurring within an organization. Your Company has also provided adequate safeguards against victimization of whistleblowers who express their concerns against such wrongdoings occurring in the organization. The Company has also provided direct access to the chairman of the Audit Committee, in exceptional circumstances.

During the year, there were no instances of unethical behaviour, fraud or violation of the company's code of conduct or ethics policy and no personnel have been denied access to the audit committee. The details of establishment of such mechanism are disclosed on the website of the Company viz. (www.modinaturals.com).

30. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE, (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Pursuant to the legislation 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013', the Company has a Policy on Prevention of Sexual Harassment at Workplace and also has Internal Complaints Committee. During the year under review, no complaint was received from any employee under the said Policy.

31. SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

32. DIRECTORS' RESPONSIBILITY STATEMENT

As required under clause (c) of sub-section (3) of section 134 of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, state that:

- i. in the preparation of the annual accounts for the financial year ended March 31, 2019, the applicable accounting standards have been followed with proper explanation relating to material departures;
- ii. the directors had 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 on 31st March, 2019, and of the profit of the Company for the year ended on that date;
- iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the directors have prepared the annual accounts on a going concern basis;
- v. the directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

33. ACKNOWLEDGEMENTS

The Board of Directors take this opportunity to thank all its Shareholders, valued customers, banks, Government and Statutory Authorities, Investors and the Stock Exchange for their continued support to the Company. Your Directors also wish to place on record their deep sense of appreciation for the committed services by your Company's employees. Your Directors acknowledge with gratitude the encouragement and support extended by our valued Shareholders and the Promoters of the Company.

On behalf of the Board of Directors
Sd/-
Anil Modi
Chairman and Managing Director
DIN No.:00187078

New Delhi, 13 August, 2019

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
(As on financial year ended on 31.03.2019)

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L15142DL1974PLC007349
2.	Registration Date	06.07.1974
3.	Name of the Company	MODI NATURALS LIMITED
4.	Category/Sub-category of the Company	Company limited by shares Indian Non-Government Company
5.	Address of the Registered office & contact details	405, Deepali Building, 92, Nehru Place, New Delhi-110019 Phone No- 011-41889999 Website- www.modinaturals.com
6.	Whether listed company	Listed
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Skyline Financial Services Private Limited Address: D-153A, Okhla Industrial Area, Phase-I, New Delhi – 110020 Facsimile: 011 - 26812682 Email: admin@skylinerta.com Website: www.skylinerta.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product /service	% to total turnover of the company	
			2018-19	2017-18
1.	Edible oil	10402	75.61	75.13
2.	De-oiled rice bran	10406	23.32	24.05

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –NIL
IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	7565462	-	7565462	68.05	7639561	-	7639561	60.36	-7.69
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporates	646000	-	646000	5.81	646000	-	646000	5.10	-0.71
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
(2) Foreign	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	8211462	-	8211462	73.86	8285561	-	8285561	65.47	-8.39

B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	200	200	-	-	200	200	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs / FPI	26450	-	26450	0.24	71287	-	71287	0.56	0.32
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	26450	200	26650	0.24	71287	200	71487	0.56	0.32
2. Non-Institutions									
a) Bodies Corporates									
i) Indian	207519	16450	223969	2.01	514503	16450	530953	420	2.18
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	730956	1012929	1743885	15.69	742485	951304	1693789	13.38	-2.30
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	311281	-	311281	2.80	1701932	-	1701932	13.45	10.65
c) Others (specify)	600687	-	600687	5.40	372675	-	372675	2.94	-2.46
Non Resident Indians	259149	-	259149	2.33	266405	-	266405	2.10	-0.23
Hindu Undivided Families	98975	-	98975	0.89	76540	-	76540	0.60	-0.29
NBFC registered with RBI	24270	-	24270	0.22	26000	-	26000	0.21	-0.01
Trusts	800	-	800	0.01	800	-	800	0.01	0.00
Clearing Members	217493	-	217493	1.96	2930	-	2930	0.02	-1.93
Sub-total (B)(2):-	1850443	1029379	2879822	25.90	3331594	967754	4299349	33.97	8.07
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1876893	1029579	2906472	26.14	3402882	967954	4370836	34.53	8.39
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	10058715	1029579	11117934	100	11688443	967954	12656397	100	-

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Neha Modi	1,82,500	1.64	-	Nil	0.00	-	-1.64
2	D D Modi HUF	40,858	0.37	-	61,183	0.48	-	0.12
3	Anil Modi HUF	2,65,750	2.39	-	2,65,750	2.10	-	-0.29
4	Anil Modi	45,45,922	40.89	-	45,86,008	36.23	-	-4.65
5	Satya Modi	4,38,850	3.95	-	Nil	0.00	-	-3.95
6	Akshay Modi	4,55,236	4.09	-	10,76,586	8.51	-	4.41
7	Nita Modi	16,36,346	14.72	-	16,50,034	13.04	-	-1.68
8	Das Investments Pvt Ltd	6,46,000	5.81	-	6,46,000	5.10	-	-0.71

C) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Name of Shareholders	No of Shares At the Beginning of Year 01/04/2018 and End of The Year 31/03/2019	% To the Total Shares	Transaction Date	Increase /Decrease	Reason	Cumulative Shareholding Holding during the Period Between 01/04/2018 and 31/03/2019	% of Total Shares of the Company
1	Das Investments Pvt Ltd	646000	5.81					
		646000	5.81			Nil		
2	Akshay Modi	455236	4.09	29.03.2019	621350	Purchase	1076576	8.51
		1076586	8.51					
3	Satya Modi	438850	3.95	29-03-2019	438850	Sale	0	0.00
		0	0.00					
4	D D Modi-HUF	40858	0.37	08-06-2018	8285	Purchase	49143	0.39
				15-06-2018	340	Purchase	49483	0.39
				22-06-2018	400	Purchase	49883	0.39
				29-06-2018	10200	Purchase	60083	0.47
				06-07-2018	500	Purchase	60583	0.48
				13-07-2018	600	Purchase	61183	0.48
		61183	0.48					
5	Neha Modi	182500	1.64	29-03-2019	182500	Sale	0	0.00
		0	0.00					
6	Nita Modi	1636346	14.72	13-04-2018	50	Purchase	1636396	12.93
				20-04-2018	4327	Purchase	1640723	12.96
				27-04-2018	99	Purchase	1640822	12.96
				04-05-2018	2726	Purchase	1643548	12.99
				11-05-2018	2065	Purchase	1645613	13.00
				18-05-2018	803	Purchase	1646416	13.01
				25-05-2018	1004	Purchase	1647420	13.02
				01-06-2018	799	Purchase	1648219	13.02
				13-07-2018	1600	Purchase	1649819	13.04
				18-01-2019	215	Purchase	1650034	13.04
		1650034	13.04					
7	Anil Modi	4545922	40.89	20-07-2018	7710	Purchase	4545307	13.87
				27-07-2018	28162	Purchase	4573469	14.10
				21-09-2018	529	Purchase	4573998	14.10

				28-09-2018	3706	Purchase	4577704	14.13
				12-10-2018	1774	Purchase	4579478	14.14
				19-10-2018	901	Purchase	4580379	14.15
				26-10-2018	2813	Purchase	4583192	14.17
				02-11-2018	799	Purchase	4583991	14.18
				09-11-2018	2017	Purchase	4586008	14.19
		4586008	36.23					
8	Anil Modi - HUF	265750	2.39			Nil		
		265750	2.10					-0.29

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Name of Shareholders	No of Shares At the Beginning of Year 01/04/2018 and End of The Year 31/03/2019	% To the Total Shares	Transaction Date	Increase /Decrease	Reason	Cumulative Shareholding Holding during the Period Between 01/04/2018 and 31/03/2019	% of Total Shares of the Company
1	SMC Global Securities Ltd	44996	0.36	18-05-2018	-80	Sale	44916	0.35
				25-05-2018	-20	Sale	44896	0.35
				01-06-2018	-8000	Sale	36896	0.29
				08-06-2018	-20000	Sale	16896	0.13
				15-06-2018	-6700	Sale	10196	0.08
				06-07-2018	85	Purchase	10281	0.08
				13-07-2018	-85	Sale	10196	0.08
				03-08-2018	81	Purchase	10277	0.08
				10-08-2018	50	Purchase	10327	0.08
				17-08-2018	-13	Sale	10314	0.08
				24-08-2018	-10224	Sale	90	0.00
				31-08-2018	-68	Sale	22	0.00
				14-09-2018	33	Purchase	55	0.00
				21-09-2018	-33	Sale	22	0.00
				02-11-2018	48	Purchase	70	0.00
				07-12-2018	30	Purchase	100	0.00
				28-12-2018	-100	Sale	0	0.00
		0	0.00					
2	Lashit Lalubhai Sanghvi	50000	0.40			Nil		
		50000	0.40					
3	Sharekhan Limited	210254	1.66	06-04-2018	-1050	Sale	209204	1.65
				13-04-2018	-201154	Sale	8050	0.06
				20-04-2018	-50	Sale	8000	0.06
				27-04-2018	-1101	Sale	6899	0.05
				04-05-2018	-1799	Sale	5100	0.04
				11-05-2018	-50	Sale	5050	0.04
				18-05-2018	-46	Sale	5004	0.04
				25-05-2018	-4	Sale	5000	0.04
				15-06-2018	1	Purchase	5001	0.04
				22-06-2018	-1	Sale	5000	0.04
				13-07-2018	850	Purchase	5850	0.05
				20-07-2018	-1350	Sale	4500	0.04
				27-07-2018	602	Purchase	5102	0.04
				03-08-2018	-4742	Sale	360	0.00

				10-08-2018	-280	Sale	80	0.00
				24-08-2018	562	Purchase	642	0.01
				31-08-2018	-76	Sale	566	0.00
				07-09-2018	-486	Sale	80	0.00
				14-09-2018	231	Purchase	311	0.00
				21-09-2018	-231	Sale	80	0.00
				28-09-2018	400	Purchase	480	0.00
				05-10-2018	2355	Purchase	2835	0.02
				12-10-2018	-2635	Sale	200	0.00
				02-11-2018	-101	Sale	99	0.00
				09-11-2018	1777	Purchase	1876	0.01
				16-11-2018	-1875	Sale	1	0.00
				23-11-2018	1399	Purchase	1400	0.01
				18-01-2019	-1375	Sale	25	0.00
				08-02-2019	100	Purchase	125	0.00
				08-03-2019	3290	Purchase	3415	0.03
				15-03-2019	-1090	Sale	2325	0.02
				29-03-2019	-1850	Sale	475	0.00
		475	0.00					
4	Pentagon Builders Private Limited	0	0.00	21-07-2018	365385	Purchase	365385	2.89
		365385	2.89					
5	Devidas Naraindas Budhrani	66000	0.52			Nil		
		66000	0.52					
6	Rajesh Harichandra Budhrani	141000	1.11	29-03-2019	63210	Purchase	147310	1.16
		147310	1.16					
7	Divyam Tie Up Llp	70000	0.55	13-04-2018	-709	Sale	69291	0.55
				20-07-2018	-407	Sale	68884	0.54
		68884	0.54					
8	Mukul Agrawal	134683	1.06			Nil		
		134683	1.06					
9	Nikhil Vora	35451	0.28			Nil		
		35451	0.28					
10	Pathik Gandotra	40000	0.32			Nil		
		40000	0.32					
11	Harichandra Naraindas Budhrani	36000	0.28	26-05-2017	36000	Purchase	36000	0.32
		36000	0.28					
12	Vora Chaitali Nikhil	0	0.00	13-04-2018	200000	Purchase	200000	1.58
		200000	1.58					
13	Shreans Daga	0	0.00	21-07-2018	365385	Purchase	365385	2.89
		365385	2.89					
14	Vrinda Suhrid Deorah	0	0.00	21-07-2018	76923	Purchase	76923	0.61
		76923	0.61					
15	Varun Daga	0	0.00	21-07-2018	365385	Purchase	365385	2.89
		365385	2.89					
16	Charandeep Singh	0	0.00	21-07-2018	365385	Purchase	365385	2.89
		365385	2.89					

D) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Directors and Key Managerial Personnel	No of Shares At the Beginning of Year 01/04/2018 and End of The Year 31/03/2019	% To the Total Shares	Transaction Date	Increase /Decrease	Reason	Cumulative Shareholding Holding during the Period Between 01/04/2018 and 31/03/2019	% of Total Shares of the Company
1	Akshay Modi (Director & KMP)	455236	4.09	29-03-2019	621350	Purchase	1076576	8.51
		1076586	8.51					
2	Anil Modi (Director & KMP)	4545922	40.89	20-07-2018	7710	Purchase	4545307	13.87
				27-07-2018	28162	Purchase	4573469	14.10
				21-09-2018	529	Purchase	4573998	14.10
				28-09-2018	3706	Purchase	4577704	14.13
				12-10-2018	1774	Purchase	4579478	14.14
				19-10-2018	901	Purchase	4580379	14.15
				26-10-2018	2813	Purchase	4583192	14.17
				02-11-2018	799	Purchase	4583991	14.18
				09-11-2018	2017	Purchase	4586008	14.19
		4586008	36.23					
3	S. S. Halwasiya (Director)	910	0.01			Nil		
		910	0.01					
4	Alok Garg (Director)	3090	0.03			Nil		
		3090	0.03					
5	Sulabh Singal (Director)	0	0.00			Nil		
		0	0.00					
6	Aditi Gupta (Director)	0	0.00			Nil		
		0	0.00					
7	Pradeep Kapoor (KMP-CFO)	0	0.00			Nil		
		0	0.00					
8	Ankit Agarwal (KMP-CS)	0	0.00			Nil		
		0	0.00					

V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	314345940	15866863	0	330212803
ii) Interest due but not paid	0	0		0
iii) Interest accrued but not due	0	0		0
Total (i+ii+iii)	314345940	15866863	0	330212803
Net Change in Indebtedness during the financial year	(13057607)	(1148549)		(14206156)
Indebtedness at the end of the financial year				
i) Principal Amount	300636055	13766863	0	314402918
ii) Interest due but not paid	0	0		0
iii) Interest accrued but not due	652278	951451		1603729
Total (i+ii+iii)	301288333	14718314	0	316006647

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in Rs.)

SN.	Particulars of Remuneration	Name of MD/ WTD/ Manager		Total Amount
		Anil Modi (MD)	Akshay Modi (WTD)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3375000.00	3000000.00	6375000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total (A)	3375000.00	3000000.00	6375000.00
	Ceiling as per the Act	Remuneration paid is within the limits specified under the provisions of Section 197 of the Act read with Schedule V thereof, approved by the members of the company through Postal Ballot held on March 29, 2017.		

B. Remuneration to Other Directors: NIL
C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

(Amount in Rs.)

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total Amount
		NA	Ankit Agarwal	Pradeep Kapoor	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	11,44,870.00	10,42,650.00	21,87,520.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	32,400.00	32,400.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	11,44,870.00	10,75,050.00	22,19,920.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,
 M/s Modi Naturals Limited
 405, Deepali Building,
 92, Nehru Place,
 New Delhi-110 019

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Modi Naturals Limited** (hereinafter called "the company") (CIN: L15142DL1974PLC007349). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2019 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with Annexure-A attached to this report :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
(Not Applicable to the Company during the audit period)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company during the audit period)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(Not Applicable to the Company during the audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the Audit period)**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not Applicable to the Company during the audit period)**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
(Not Applicable to the Company during the audit period)
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with BSE Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company as identified by the management:

- a) Food Safety and Standards Act, 2006 and rules made there under,
- b) Legal Metrology Act, 2009 and rules made there under
- c) VOPPA (Regulation) Order, 2011 and rules made there under,
- d) The Boilers Act, 1923 and rules made there under,

The company is registered with Food Safety and Standards Authority of India vide FSS License Nos. 10012051000395 and 10012051000407.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except in few instances, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period on 18th July, 2018, the Company has allotted fully paid-up 1538463 equity shares upon conversion of warrants on preferential basis. The Company has also obtained the Listing approval on August 13, 2018 and Trading Notice on August 27, 2018 from the BSE in respect of the aforesaid shares. However, the said Equity shares are under a Lock-in for trading up to September 01, 2019.

Place: New Delhi
Date: August 13, 2019

For Deepak Bansal & Associates
Company Secretaries
Sd/-
(Deepak Bansal)
Prop.
FCS 3736; CP 7433

*This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

'ANNEXURE A'

To,
The Members,
Modi Naturals Limited
405, Deepali Building,
92, Nehru Place,
New Delhi-110 019

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: New Delhi
Date: August 13, 2019

For Deepak Bansal & Associates
Company Secretaries
Sd/-
(Deepak Bansal)
Prop.
FCS 3736; CP 7433

Details Pertaining to Remuneration as required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Ratio : Managing Director and Employees	2.81 : 0.25	
		Ratio : Director and Employees	2.50 : 0.25	
(ii)	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Basis: Calculated on the basis of total Salary Drawn in FY 2018-19 as compared to Salary Drawn in FY 2017-18		
		Name	Designation	% increase/ (decrease) in remuneration
		Mr. Anil Modi	Managing Director	9.09
		Mr. Akshay Modi	Director	20.19
		Mr. Pradeep Kapoor	CFO	5.02
	Mr. Ankit Agarwal	Company Secretary	16.75	
(iii)	The percentage increase in the median remuneration of employees in the financial year;	6 % Approx		
(iv)	The number of permanent employees on the rolls of company;	The number of permanent employees on the rolls of the company as of 31.03.2019 were 566.		
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average increase in salaries of employees was about 6% and average increase in remuneration of Key Managerial Personnel was 11.36%. And there is no exceptional increase in managerial remuneration.		
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company.	It is affirmed that the remuneration is as per the Remuneration Policy of the Company.		

MANAGEMENT DISCUSSION AND ANALYSIS

1. Industry Structure and Development

Overview of Indian Economy and Industrial Outlook

The government has brought in a renewed focus on growth and is determined to make suitable reforms. Major reforms are taking time, but the India story is intact and growth is back at over 7%. With global commodity prices at a historical low, India, a huge importer of commodities is at a good position. The Reserve Bank of India (RBI) has reduced interest rates to supplement the government's growth initiatives and to identify new avenues of growth.

Due to moderated level of inflation, reduced current account deficit and fiscal consolidation, the Country is currently characterized as a stable macroeconomic situation. Furthermore, increased industrial production complimented by various government leading initiatives could further prove to be an impetus to the economy.

Rising incomes and growing youth population have been key growth drivers of the FMCG sector. Brand consciousness has also aided demand. Low penetration levels in rural market offers room for growth.

2. Threats and Opportunities

The Indian edible oil market continues to be underpenetrated and thereby holds immense business opportunities. Vegetable oil consumption has increased due to rise in overall household income, surging retail sector, increasing health awareness, growing population and increasing demand.

Provided the positive macro and demographic fundamentals, the edible oil market has a favourable demand growth outlook over the medium-to-long term. The Indian edible oil market is expected to witness robust expansion in the near future. However, rising edible oil prices and lower priced competitors are expected to be the challenges for this sector.

3. Segment, Product wise Performance

Modi Naturals is transforming from a pure play edible oil company to a diversified FMCG company by creating world class uniquely positioned value-added products that are gaining popularity.

Your company has created a niche market segment for itself through its high quality Olive oil products and strong distribution network. "OLEEV" brand is positioned strongly in minds of customers and it caters to the premium segment of the market.

Your company has invested in development of new product packaging with improved functionality in terms of convenience to customers and cost optimization in freight. Your Company is further looking to increase its competitiveness by making investment in modernizing the refinery complex to achieve greater operational efficiency and capability to produce varied products.

In order to further improve the overall business margin, your company is working on a strategy to identify high margin value added products for food and nutrition industry. These products shall align with our overall product offering and shall be processed in a cost-efficient manner. With continuous focus on innovation, R&D and investment in new technology, your company is confident of developing diversified products that will help us to cater to the needs of our customers and delivering the high return to shareholders.

The company's branded product portfolio includes Oleev Olive oil, Oleev Active oil (Blend of Olive oil and Rice Bran Oil), Oleev Health Oil (Blended Oil) Oleev Smart Oil (Blended oil), Rizolo Rice bran oil, Miller Canola Oil and Ollvana Wellness Oil. The company has marked its presence in the ready-to-cook food market with the launch of Pipo, a new range of premium quality popcorn. In the non-branded segment, the company manufactures and markets Sunflower oil, Rice Bran oil, Mustard oil, Rice Bran wax and De-oiled cakes.

Your Company continues to support our flagship Oleev Active in this Category with adequate level of investments to ensure that our position in this category remains healthy and profitable while delivering the highest returns to our shareholders.

4. Outlook

A steadily improving outlook for business in India means that the Food industry as well is recovering from a sluggish phase into a phase of more steady and sustained growth. Your Company is well placed to capture a fair share of this growth having taken significant measures in the last few years in both manufacturing capacities and distribution expansion.

We expect to be able to continue to deliver strong growth and take advantage of the significant capital investments we have recently completed behind products with clear competitive advantage.

5. Risk Management

Business risks exist for any enterprise having national and international exposure. Your Company also faces some such risks, the key ones being - a longer than anticipated delay in economic revival, unfavorable exchange rate fluctuations, emergence of inflationary conditions, rise in counterfeits and look-alikes and any unexpected changes in regulatory framework.

The Company is well aware of these risks and challenges and has put in place mechanisms to ensure that they are managed and mitigated with adequate timely actions.

6. Internal Control Systems and its adequacy

Your Company has an adequate system of internal controls in all areas of its operations such as purchase, sale, acquisitions of fixed assets, cash & bank, including suitable monitoring procedures and competent personnel. The Company has set up an Audit Committee comprising of Non-Executive Independent Directors. The Company has also appointed the firm of Chartered Accountants to carry out Internal Audit, where one of their function is to review the Internal Control system regularly, with a view to further strengthen the same.

7. Financial and Operational Performance

During fiscal 2019, your Company recorded revenue from operations of Rs. 29627.20 Lacs, a growth of 15.78% over previous year, despite oil prices softening and the company's brand presence in premium categories, due to carefully crafted strategies, backed up by clinical execution.

The Company's EBITDA and EBITDA margins improved by 27.9% to Rs.552.96 Lacs as compared to the previous year.

➤ Ratio Analysis

S.no	Ratios	Units	IND-AS	
			FY 2019	FY 2018
1.	Debtors Turnover Ratio	Times	28.11	29.80
2.	Inventory Turnover Ratio	Times	4.04	4.07
3.	Interest Coverage Ratio	Times	2.47	1.04
4.	Current Ratio	Times	1.63	1.47
5.	Debt-Equity Ratio	Times	1.15	1.34
6.	Operating Profit Margin	%	1.42	1.06
7.	Net Profit Margin	%	0.85	0.04
8.	Earnings Per Share	₹	0.83	0.05

8. Human Resource and Industrial Relations

The Company's industrial relations are cordial at all locations. The Company lays great emphasis on proper management of human resources and believes that this is the most important ingredient for achieving excellence in performance and sustainable growth. The Management of your Company put utmost efforts to strengthen the existing work force and retaining them to enhance the human resource capability in the Company.

The Directors of your Company deeply appreciate the spirit and commitment of its dedicated team of employees.

9. Cautionary Statement

Estimates and expectations stated in this Management Discussion and Analysis Report may be "forward-looking statements" within the meaning of applicable securities, laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company's operations include economic conditions affecting demand/ supply and price conditions in the domestic and international markets, changes in the Government regulations, tax laws, and other statutes and incidental factors.

REPORT ON CORPORATE GOVERNANCE

The Company is in compliance with the requirements as stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Amendment Regulations 2018 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance revolves around principles of ethical governance and is aimed at conducting of business in an efficient and transparent manner and in meeting its obligations to shareholders and other stakeholders. This objective is achieved by adopting corporate practices based on principles of transparency, accountability, fairness and integrity to create long term sustainable value for all its stakeholders.

2. BOARD OF DIRECTORS

The Composition of the Board of Directors and other details as on March 31, 2019 is as under:

During the financial year ended March 31, 2019, the Company had seven (6) Board meetings held on May 30, 2018, July 18, 2018, August, 09 2018, September 22, 2018, November 13, 2018 and February 14, 2019 respectively.

Sl. No.	Name of the Director	Category	Designation	No. of Board Meeting Attended	No. of Directorships of other companies held [@]	No. of Chairmanship and memberships in Committees of the Board of other Companies [#]	Attendance at Last AGM held on 29.9.2018
1.	Mr. Anil Modi (DIN-00187078)	Promoter, Executive	Chairman & Managing Director	5	Nil	Nil	Yes
2.	Mr. Akshay Modi (DIN-03341142)	Promoter, Executive	Jt. Managing Director	4	Nil	Nil	Yes
3.	Ms. Aditi Gupta (DIN-01786037)	Non- Independent Non-Executive	Director	2	Nil	Nil	No
4.	Mr. S. S. Halwasiya (DIN-00020000)	Independent, Non-Executive	Director	2	Nil	Nil	Yes
5.	Mr. Alok Garg (DIN-01394308)	Independent Non-Executive	Director	4	Nil	Nil	Yes
6.	Mr. Sulabh Singal (DIN-05270534)	Independent Non-Executive	Director	2	Nil	Nil	No

Notes:

[@] Excluding private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

[#] Committees viz. the Audit Committee and the Stakeholders Relationship Committee are considered.

- Mr. Anil Modi, Mr. Akshay Modi and Ms. Aditi Gupta are relatives of each other in terms of the definition of 'Relative' given under the Companies Act, 2013 read with the Rules made thereunder. None of other Directors is related to any other Director on the Board.
- None of the Non-Executive Directors, except Mr. Alok Garg and Mr. S. S. Halwasiya, who holds 3090 and 910 shares respectively, hold any shares or convertible instruments in the Company.
- The details of the familiarisation programme of the Independent Directors are uploaded on the website and can be accessed on (http://www.modinaturals.com/corporate_governance.html)

7. MEETING OF THE INDEPENDENT DIRECTORS

The Independent Directors met during the year under review, inter alia, to discuss review of the performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairperson of the company, taking into account the views of the Executive Directors and Non- Executive Directors, assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. All the Independent Directors were present at the Meeting.

4. CODE OF CONDUCT FOR THE BOARD MEMBERS AND SENIOR MANAGEMENT

In line with the Regulation 17(5) of the SEBI Listing Regulations, the Company's Board of Directors has adopted a 'Code of Conduct and Ethics' ("the Code") for the Board of Directors and Senior Executives of the Company'. The Code is posted on the Company's website - www.modinaturals.com/investor.htm.

The purpose of this 'Code of Conduct and Ethics' is to promote conduct of business ethically in an efficient and transparent manner and to meet its obligations to shareholders and all other stakeholders. The 'Code of Conduct' is also a tool in carrying out the Company's Business and Social responsibility in a more effective manner. The Code sets out a broad policy for one's conduct in dealing with the Company, fellow directors and employees and the external environment in which the Company operates.

As required under Chapter IV of the SEBI Listing Regulations, all Directors and senior management have affirmed compliance with the Code for the financial year ended March 31, 2019. A declaration to the effect, signed by the Chairman and Managing Director, is annexed to and forms part of this Annual Report.

5. COMMITTEES OF THE BOARD OF DIRECTORS

A. AUDIT COMMITTEE

The Audit Committee formed in pursuance to Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013 is instrumental in reviewing the procedures of financial reporting besides reviewing the quarterly, half yearly, annual financial results of the Company, internal control systems, auditing and accounting matters including the recommendation for appointment of independent auditors, compliance with legal and statutory requirements and integrity of the Company's financial statements.

The Company Secretary of the Company acts as the Secretary of the Audit Committee. Shri Pradeep Kapoor, Chief Financial Officer of the Company and a representative of the Statutory Auditors are permanent invitees to the Audit Committee.

Five (5) Meetings of the Audit Committee were held during the year under review on 30.05.2018, 09.08.2018, 22.09.2018, 13.11.2018 and 14.02.2019 respectively. The composition of the Audit committee and the details of meetings attended by its members are given below:

Name of Director	Category	Position held in the Committee	Number of meetings during the financial year 2018-19	
			Held	Attended
Mr. S. S. Halwasiya	Independent, Non-Executive	Chairperson	5	5
Mr. Alok Garg	Independent, Non-Executive	Member	5	5
Mr. Anil Modi	Non-Independent, Executive	Member	5	4

B. NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors have constituted a 'Nomination & Remuneration Committee' in terms of Section 178 (1) of the Companies Act, 2013. The terms of reference of the Committee cover evaluation of compensation and benefits for Executive Director(s), Non-Executive Director(s), KMP, framing of policies and systems of the Employee Stock Option Scheme and looking after the issues relating to major HR policies.

Two (2) Meetings of the Nomination and Remuneration Committee were held during the year under review on 30.05.2018 and 14.02.2019 respectively. The composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are given below:

Name of Director	Category	Position held in the Committee	Number of meetings during the financial year 2018-19	
			Held	Attended
Mr. Sulabh Singal	Independent, Non-Executive	Chairperson	2	1
Mr. S. S. Halwasiya	Independent, Non-Executive	Member	2	2
Mr. Alok Garg	Independent, Non-Executive	Member	2	2

Remuneration Policy

The Board upon recommendation of the Nomination and Remuneration Committee has adopted following Policies/ Framework in line with the SEBI Listing Regulations and the Companies Act, 2013.

- Remuneration Policy relating to remuneration of Directors, Key Managerial Personnel and other employees.
- Framework for evaluation of the Board, its Committees and individual Board Members including Independent Directors.
- Framework for determining qualifications, positive attributes and independence of a director
- Framework for the appointment of directors and senior management personnel.

Non-Executive Directors (including Independent Directors)

Fees and compensation, if any, paid to any Non-Executive Director, including Independent Director shall be fixed by the Board of Directors and shall be previously approved by the shareholders, as may be required, at the general body meeting. Further, the Independent Directors shall not be entitled to any stock options.

Executive Directors

The Board of Directors on the recommendation of the Nomination and Remuneration Committee fixes remuneration of Executive Directors (i.e. Managing Director/ Whole-Time Director) and thereafter the same is approved by the shareholders at a General Meeting. The remuneration structure comprises of salary, allowances, commissions, perquisites and employee benefits, if any.

The evaluation criteria of the Board, its Committees and individual Board Members including Independent Directors have been disclosed in the Director's Report which forms part of the Annual Report. The formal Remuneration policy of the Company is available on the Company's website at the following link- http://www.modinaturals.com/corporate_governance.htm

Remuneration to Directors

Details of remuneration paid to Directors for the Financial Year 2018-19 is as under:-

(In Rupees except Share data)

Name of Directors	Salary & Perquisites	Commission	Sitting Fee	Total	Service Contract	No of Equity Shares held
Mr. Anil Modi	3375000.00	-	-	3375000.00	*	4586008
Mr. Akshay Modi	3000000.00	-	-	3000000.00	#	1076586
Mr. S. S. Halwasiya	-	-	-	-	\$	910
Mr. Alok Garg	-	-	-	-	\$	3090
Mr. Sulabh Singal	-	-	-	-	\$	-
Ms. Aditi Gupta	-	-	-	-	@	-

The Company does not have any Stock Option Scheme and Pension Scheme.

The Company did not have any material pecuniary relationship or transactions with Non-Executive Directors during the year.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Board of Directors have constituted a 'Stakeholders Relationship Committee' in terms of Regulation 20 of SEBI Listing Regulations and Section 178(5) of the Companies Act, 2013. The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances. The Committee specifically looks into redressing shareholders'/ investors' complaints/ grievances pertaining to share transfers, non-receipts of annual reports, non- receipt of dividend etc. and all other securities-holders related matters.

Five (5) meetings of the stakeholders' relationship committee were held during the year on 16.05.2018, 14.06.2018, 29.10.2018, 07.02.2019 and 11.03.2019 respectively. The composition of the stakeholders' relationship committee and the details of meetings attended by its members are given below:

Name of Director	Category	Position held in the Committee	Number of meetings during the financial year 2018-19	
			Held	Attended
Mr. Alok Garg	Independent, Non-Executive	Chairperson	5	5
Mr. S. S. Halwasiya	Independent, Non-Executive	Member	5	1
Mr. Anil Modi	Non-Independent, Executive	Member	5	5

Mr. Ankit Agarwal, Company Secretary and Compliance Officer may be contacted for any matter relating to share transfers/transmissions, non-receipt of Annual Reports, Dividend, etc.

Details of investor complaints received and redressed during the financial year 2018-19

Pending as on 1 April, 2018	NIL
Received during the year	1
Resolved during the year	1
Pending as on 31 March, 2019	NIL

6. GENERAL BODY MEETINGS

Location, date and time of Annual General Meetings (AGM) held during the last 3 years and special resolutions passed:

Financial Year	Date	Venue	Time	Special Resolutions Passed
2017-18	September 29, 2018	Hotel Chirag Residency, B-18, Chirag Enclave, Nehru Place, Opp. Devika Tower, New Delhi-110019	3.00 P.M	None
2016-17	September 29, 2017		3:00 P.M.	None
2015-16	September 29, 2016		3:00 P.M.	1

All resolutions moved at the last Annual General Meeting were passed by the requisite majority of shareholders.

No Extraordinary General Meeting was held during the year under review.

POSTAL BALLOT

No resolution is proposed to be conducted through postal ballot at the ensuing AGM to be held on September 30, 2019.

During the year, no resolution was passed through Postal Ballot.

7. OTHER DISCLOSURES:

- Materially significant related party transactions**

During the year, there were no materially significant related party transactions, i.e. transactions of the Company of material nature, with its promoters, their subsidiaries, the Directors, the KMP, the management or relatives, or other designated persons, that may have a potential conflict with the interests of the Company at large.

All related party transactions entered into during the year were on arms' length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and Listing Regulations. The related party transactions during the year under review are mentioned in Note 35 to the "Notes to Accounts". The Company has adopted a Related Party Transactions Policy and the same is displayed on the Company's website at the following weblink: http://www.modinaturals.com/corporate_governance.htm

- Disclosure of Accounting Treatment**

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently. There have been no deviations from the treatment prescribed in the Accounting Standards. The Management reviews the accounting treatments adopted and wherever deviations noted, will be presented in the Financial Statements. A detailed report on significant accounting policies is provided elsewhere in the Annual Report.

- **Details of non-compliance**

The Company has complied with the requirements of the Stock Exchanges, SEBI and statutory authorities on all matters related to the capital markets during the last three years. No penalty or strictures were imposed on the Company by these authorities.

- **Whistle Blower Policy / Vigil Mechanism**

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of the SEBI Listing Regulations for directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the audit committee. The said policy has been also put up on the website of the Company at the following link- http://www.modinaturals.com/corporate_governance.htm

- **Compliance with mandatory requirements and adoption of the non-mandatory requirements**

The Company has complied with all the applicable mandatory requirements of Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has not adopted any non-mandatory requirements.

A compliance certificate from the Practicing Company Secretary regarding compliance of conditions of corporate governance as required by Schedule V of the SEBI Listing Regulations is given as an annexure to this report.

- **Subsidiary Companies**

The Company do not have any subsidiary companies.

- **Web link**

As required by the SEBI Listing Regulations, the Company has also adopted Policy on Determination of Materiality for Disclosures, Policy on Archival of Documents and Policy for Preservation of Documents, which are disclosed on its website at the following link-http://www.modinaturals.com/corporate_governance.htm

- **Code of Conduct for Prevention of Insider Trading**

In compliance with the SEBI (Prohibition of Insider Trading) Regulations 2015, the Company has adopted a 'Code of Conduct to regulate, monitor and report trading by insiders and 'Code of practices and procedures for fair disclosure of unpublished price sensitive information' for its Directors, management and staff and other connected persons defined therein. These Codes lay down guidelines which advise management and staff on procedures to be followed and disclosures to be made while dealing with Securities of the Company, and cautions them of the consequences of violations. The Code of Conduct is posted on the Company's website – www.modinaturals.com/investors.htm

- **Legal Compliance Reporting**

The Board of Directors reviews quarterly report of compliance with respect to all laws and regulations applicable to the Company. The Company has devised a Legal Compliance reporting mechanism, wherein the Company Secretary shall obtain the Compliance status reports from the respective person who is responsible for compliance within the Company, and submit periodically a comprehensive compliance report to the Executive Director(s) of the Company.

Any non-compliance is seriously taken up by the Board, with fixation of accountability and reporting of steps taken for rectification of non-compliance.

- **Management Discussion and Analysis report forms part of the Directors' Report.**

- **CEO/ CFO Certification**

The MD and CFO have certified to the Board with regard to the financial statements and other matters as required under regulation 17(8), read with Part B of Schedule II to the SEBI Listing Regulations, 2015, for the financial year ended March 31, 2019.

8. MEANS OF COMMUNICATION

- Financial Results**

The Company intimates un-audited as well as audited financial results to the Stock Exchanges, immediately after the Board meetings at which they are approved. The results of the Company are also published in at least one prominent national and one regional newspaper having wide circulation. Normally the results are published in The Financial Express (English) and Jansatta (Hindi) in Delhi. The financial results are also displayed on the Company's website - www.modinaturals.com/investor.htm. Presentations made to the institutional investors and analysts after the declaration of the quarterly, half-yearly and annual results are also displayed on the Company's website. The Quarterly Results, Shareholding Pattern and all other corporate communication to the Stock Exchange(s) are filed through BSE Listing Centre, for dissemination on its website.

- Website**

The website www.modinaturals.com contains a separate dedicated section for the Company's 'Investor Relations' where shareholders' information is available. The full Annual Report, Shareholding Pattern and all Financial Reports are available in the 'Investor Relations' sections on the website of the Company. The Company also has an exclusive e-mail ID i.e. investors@modinaturals.com for investors to contact the Company in case of seeking any information and redressal of their grievances.

9. GENERAL SHAREHOLDERS INFORMATION

A. Annual General Meeting (AGM) for FY 2019

	Date	September 30, 2019
	Time	3.00 P.M
	Venue	Hotel Bluestone, CC24, Kalkaji, Near Nehru Enclave, Opp. Paras Cinema, New Delhi-110019
B.	Financial Calendar	
	Financial Year	April 1 – March 31
	Tentative Schedule for declaration of financial results during the financial year 2019-20	
	-First Quarter ending 30.06.2019	August 13, 2019
	-Second Quarter ending 30.09.2019	Upto November 14, 2019
	-Third Quarter ending 31.12.2019	Upto February 14, 2020
	-Annual and fourth quarter ending 31.03.2020	Upto May 30, 2020
C.	Dates of Book Closure	From Thursday, September 26, 2019 to Monday, September 30, 2019 (both days inclusive)
D.	Dividend Payment Date	No Dividend is declared for the Financial Year 2018-19
E.	Listing on stock Exchanges	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.
F.	Listing Fee	Annual Listing Fee for the year 2019-20 as applicable has been paid to the Stock Exchange.
G.	Stock Code / Symbol BSE Limited ISIN Number for NSDL and CDSL	519003; MODINATUR INE537F01012
H.	Company Identification Number (CIN)	L15142DL1974PLC007349

I. Market Price Data

Monthly's High and Low (based on daily closing prices) and number of equity shares traded during each month in the year 2018-19 on BSE (Source: www.bseindia.com)

Month	BSE		
	High (Rs.)	Low (Rs.)	Volume (No. of shares traded)
April – 2018	109.95	85.05	33823
May – 2018	104.9	85.5	33637
June – 2018	100	73.8	55629
July – 2018	105	66.05	47786
August – 2018	100	80.05	16142
September – 2018	87.9	70.05	11533
October – 2018	83.95	58.6	22042
November – 2018	83.75	69	12136
December – 2018	80.95	62.7	5131
January – 2019	84.4	67.2	12842
February – 2019	75.75	63	7270
March – 2019	80.45	59	42915

J. Shareholding Pattern as on March 31, 2019

Sl. No.	Category of Shareholders	No of Shares held	No of Shares in De-mat Form	% Shareholding
A.	Promoters and Promoters Group Shareholding			
1.	Indian			
a.	Individuals / HUF	7639561	7639561	60.36
b.	Bodies Corporate	646000	646000	5.10
2.	Foreign	0	0	0
	Total - (A)	8285561	8285561	65.47
B.	Public Shareholding:			
1.	Institutions:			
a.	Mutual Funds	0	0	0.00
b.	Financial Institutions /Banks	200	0	0.00
c.	Foreign Portfolio Investors	71287	71287	0.56
	Sub-Total – B(1)	71487	71287	0.56
2.	Non-Institutions:			
a.	Bodies Corporate	530953	514503	4.20
b.	Individuals	3395721	2444417	26.83
c.	Any Other specify:			
i.	Non Resident Indians	266405	266405	2.10
ii.	Resident Indian HUF	76540	76540	0.60
iii.	Trusts	800	800	0.01
iv.	Clearing Member/House	2930	2930	0.02
v.	NBFC Registered with RBI	26000	26000	0.21
	Sub-Total – B (2)	4299349	3331595	33.97
	Total – B = B(1)+B(2)	4370836	3402882	34.53
	Grand Total (A + B)	12656397	11688443	100.00

K. Distribution of Holdings as on March 31, 2019

Category	Number of Shareholders	% to Total Numbers	Share Holding Amount	% to Total Amount
Up to 5,000	3843	87.06	8908010	7.04
5,001 to 10,000	288	6.52	2375350	1.88
10,001 to 20,000	174	3.94	3065340	2.42
20,001 to 30,000	29	0.66	690430	0.55
30,001 to 40,000	10	0.23	346730	0.27
40,001 to 50,000	13	0.29	574700	0.45
50,001 to 1,00,000	21	0.48	1504290	1.19
1,00,000 and Above	36	0.82	109099120	86.2
Total	4414	100	126563970	100

L. Registrar and Share Transfer Agents

The Company has appointed M/s Skyline Financial Services Pvt. Ltd. as its Registrar and Transfer Agent for handling the share registry work relating to shares held both in physical and electronic form at a single point. The shareholders may address their communications and any grievances or queries pertaining to share transfer/demat including physical transfer requests and demat requisition forms, to the Registrar & Transfer Agent of the Company at the following address:

Skyline Financial Services Pvt. Ltd.
D-153A, Okhla Industrial Area, Phase - I,
New Delhi-110 020
Tel: 011-26812682
E-mail: admin@skylinerta.com

M. Share Transfer System

To expedite the process and disposal of share transfers in physical form, the Board of Directors has delegated the power of share transfer, transmission, split /consolidation of share certificates, to the Registrar and Transfer Agent (RTA) of the Company viz. M/s Skyline Financial Services Pvt. Ltd. Transfers in physical form are registered by the Registrar and Share Transfer Agent immediately on receipt of completed documents and certificates are issued within 15 days of date of lodgement of transfer. Invalid share transfers are returned within 15 days of receipt. A periodic report of transfer/transmission/demat/re-mat etc. of securities of the Company so approved by RTA is placed at every subsequent Board meeting / Stakeholders' Relationship Committee meeting. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the SEBI Listing Regulations and files a copy of the said certificate with Stock Exchanges. The Company Secretary monitors the system. All requests for dematerialisation of shares are processed and the confirmation is given to respective Depositories i.e., National Securities Depository Limited and Central Depository Services (India) Limited, generally within 21 days.

N. SCORES (SEBI Complaints Redressal System)

SEBI complaints redressal system i.e. SCORES is an online complaints redressal system for investors / shareholders. Through this system a shareholder can lodge complaint against a company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder.

O. Dematerialisation of shares and liquidity

The Company's shares are compulsorily traded in dematerialised form on and BSE and are available for trading on both the depositories, viz. NSDL and CDSL. The connectivity has been established through the Company's Registrars, Skyline Financial Services Pvt. Ltd. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE537F01012. As at March 31, 2019, a total of 1,16,88,443 Equity Shares of the Company, constituting 92.35% of the paid-up share capital, stands dematerialised. To enable us to serve our investors better, we request shareholders whose shares are in the physical mode to dematerialize their shares and update their email address and bank accounts with the respective depository participants.

P. Share Capital Reconciliation Report

As stipulated by the SEBI, a qualified Practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The Audit is carried out every quarter and the Report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors. The Report inter-alia confirms the total listed and paid up share capital of the Company is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

Q. Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Fund ("IEPF")

There was no amount required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March, 2019.

R. Commodity price risk or foreign exchange risk and hedging activities

We manage our exposure to commodity risks and foreign exchange risks through a mechanism including monitoring market dynamics on an ongoing basis, strategic buying decisions, forward cover for foreign currency from time to time etc.

S. Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion date and likely impact on Equity

During the year, the company has allotted fully paid-up 1538463 equity shares upon conversion of warrants. The paid-up share capital of the company stood increased from Rs. 111179340 to Rs 126563970 comprising of 12656397 equity shares of Rs. 10/- each. There is no outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments.
The amount has been utilised for the purpose of which funds were raised.

T. Plant Location

Bisalpur Road, Pilibhit - 262001, Uttar Pradesh

U. Address for Correspondence

• **Registrar and Share Transfer Agents**

Skyline Financial Services Pvt. Ltd.
D-153A, Okhla Industrial Area, Phase - I,
New Delhi-110 020
Tel.: 011-26812682
E-mail: admin@skylinerta.com

• **Company**

Registered Office:
405, Deepali Building 92, Nehru Place, New Delhi – 110019
www.modinaturals.com

Contact Person:
Company Secretary
Tel: 011-41889999
E-mail: investors@modinaturals.com

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF MODI NATURALS LIMITED

I, Deepak Bansal, Company Secretary in Practice, have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2019, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

My responsibility is limited to examining the procedures and implementation thereof, adopted by the Company, for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion

In my opinion and to the best of my information and according to the explanations given to us and based on the representations made by Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2019.

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

For Deepak Bansal & Associates
Company Secretaries
Sd/-
(Deepak Bansal)
Prop.
FCS-3736, CP-7433

Place: New Delhi,
Date: 13 August, 2019

TO THE MEMBERS OF MODI NATURALS LIMITED

Declaration by the Managing Director under Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Anil Modi, Chairman & Managing Director of Modi Naturals Limited hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the "Code of Conduct and Ethics" of the Company for the financial year ended 31st March, 2019.

(Anil Modi)
Chairman & Managing Director
DIN No. : 00187078

Place: New Delhi,
Date: 30 May, 2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Modi Naturals Limited
405, Deepali Building, 92, Nehru Place,
New Delhi – 110019

I, Deepak Bansal, Company Secretary in Practice, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Modi Naturals Limited having CIN-L15142DL1974PLC007349 having registered office at 405, Deepali Building, 92, Nehru Place, New Delhi-110019 India (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Designation	Date of Appointment in Company
1.	Anil Modi	00187078	Managing Director	05.04.1976
2.	Akshay Modi	03341142	Joint Managing Director	15.12.2010
3.	Sudhir Shankar Halwasiya	00020000	Independent Director	14.03.1986
4.	Alok Garg	01394308	Independent Director	26.03.2008
5.	Sulabh Singal	05270534	Independent Director	30.07.2013
6.	Aditi Gupta	01786037	Director	31.03.2015

Ensuring the eligibility of for the appointment /continuity of every director on the Board is the responsibility of the management of the company. My responsibility is to express an opinion on these based on my verification. This certificate 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 Deepak Bansal & Associates
Company Secretaries
Sd/-
(Deepak Bansal)
Prop.
FCS-3736, CP-7433

Place: New Delhi,
Date: 13 August, 2019

INDEPENDENT AUDITOR'S REPORT

To the Members of Modi Naturals Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Modi Naturals Limited ("*the Company*") which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (Including other Comprehensive Income), the statement of changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the (Auditor's Responsibilities for the Audit of the Financial Statements) section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no matter which is required to be described as key audit matter to be communicated in our report.

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government in terms of section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and 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 it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the specified under section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect of the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has disclosed the impact of pending litigation on its financial position in its financial statements. Refer Note 32 to the financial statements.
 - ii. The company did not have any long term contracts and had no derivative contracts outstanding as at 31st March, 2019.
 - iii. The Company did not have any dues required to be transferred by it to the Investor Education and Protection fund.

For **Kashyap & Co.**
Chartered Accountants
Firm Registration No. 011355C

Sd/-
(Premjit S. Kashyap)
Partner
Membership No.072295

Place : New Delhi
Date : 30.05.2019

Annexure A referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of Independent Auditors' Report of even date on the financial statements for the year ended on March 31, 2019.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) In respect of Company's Fixed Assets
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) The title deeds of all the immovable properties are held in the name of the Company.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Act.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 or Section 186 of the Act.
- (v) The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) The Undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods & Service Tax (GST), service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
(b) According to the records and information and explanation given to us and the records examined by us of the Company, there were no dues in respect of Goods & Service Tax (GST), Cess and other statutory dues which have not been deposited on account of disputes.
- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or government during the year. The Company did not have any outstanding debentures during the year.
- (ix) In our opinion, the term loans were applied for the purposes for which the loans were obtained. The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year.
- (x) According to the information and explanation given to us, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid (and)/ provided by the company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) The company has made preferential allotment of share during the year. In our opinion and according to the information given to us the company has complied with the requirement of section 42 of the Companies Act 2013 and amount the raise has been used for the purpose for which the funds were raised.

- (xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Kashyap & Co.**
Chartered Accountants
Firm Registration No. 011355C

Sd/-
(Premjit S. Kashyap)
Partner
Membership No.072295

Place : New Delhi
Date : 30.05.2019

Annexure 'B' to Independent Auditors' Report
(Referred to in paragraph (h) under the head 'Report on Other Legal and Regulatory Requirements' of even date)

Report on the Internal Financial Controls under Clause (f) of Sub-section 3 of Section 143 of the Companies Act, ("the Act")

1. We have audited the internal financial control with reference to financial statement of MODI NATURALS LIMITED ("the Company") as of March, 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statement, criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, and adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India."

For **Kashyap & Co.**
Chartered Accountants
Firm Registration No. 011355C

Sd/-
(Premjit S. Kashyap)
Partner
Membership No.072295

Place : New Delhi
Date : 30.05.2019

BALANCE SHEET as at 31.03.2019

				(Amount In Rs.)	
Particulars	Note No.	As At 31.03.2019	As At 31.03.2018		
ASSETS					
(1) Non - current assets					
(a) Property, plant and equipment	2	195,629,155.00	187,392,125.00		
(b) Capital work - in - progress	3	90,982.00	3,571,993.00		
(c) Other intangible assets	4	271,235.00	329,407.00		
(d) Financial assets					
(i) Trade receivables	5	8,637,211.00	5,990,712.00		
(ii) Loans and Advances	6	8,419,784.00	8,068,461.00		
(e) Other non - current assets	8	55,585,704.00	50,057,287.00		
(2) Current assets					
(a) Inventories	9	656,589,807.00	569,285,771.00		
(b) Financial assets					
(i) Trade receivables	5	116,953,377.00	78,167,939.00		
(ii) Cash and cash equivalents	10	1,874,765.00	3,270,343.00		
(iii) Loans and Advances	6	7,944,210.00	11,724,728.90		
(iv) Bank Balances	7	4,479,015.00	2,298,942.00		
(c) Other current assets	8	77,672,116.00	53,279,963.00		
Total Assets		1,134,147,361.00	973,437,671.90		
EQUITY AND LIABILITIES					
EQUITY					
(a) Equity share capital	11	126,563,970.00	111,179,340.00		
(b) Other equity	12	400,145,712.00	205,367,066.00		
(c) Money received Against Convertible Warrants		-	100,000,095.00		
LIABILITIES					
(1) Non - current liabilities					
(a) Financial liabilities					
(i) Borrowings	13	9,625,404.00	13,326,241.00		
(ii) Trade payables	14	249,464.00	148,955.00		
(b) Provisions	15	11,965,062.00	11,259,386.00		
(c) Deferred tax liabilities (net)	16	53,510,522.00	43,267,875.00		
(2) Current liabilities					
(a) Financial liabilities					
(i) Borrowings	13	297,462,684.00	310,719,856.00		
(ii) Trade payables	14	67,960,009.00	39,307,444.00		
(b) Other current liabilities	17	154,409,885.00	132,683,180.90		
(c) Provisions	15	6,625,211.00	5,728,233.00		
(d) Current Tax Liability (net)	18	5,629,438.00	450,000.00		
Total Equity and Liabilities		1,134,147,361.00	973,437,671.90		

As per our report of even date, attached,

For Kashyap & Co

Chartered Accountants
Registration No.: 011355C

Sd/-

Premjit S. Kashyap

Partner

Membership No.: 072295

Place : New Delhi

Date : 30.05.2019

For and on behalf of the Board of Directors

Sd/-
Akshay Modi
Director
(DIN: 03341142)

Sd/-
Anil Modi
Chairman & M. Director
(DIN:00187078)

Sd/-
Pradeep Kapoor
Chief Financial Officer

Sd/-
Ankit Agarwal
Company Secretary

STATEMENT OF PROFIT & LOSS for the Year Ended 31.03.2019

		(Amount in Rs.)	
Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
I Revenue from operations	19	2,948,453,696.00	2,776,076,226.00
Less: Excise Duty			
Revenue from operations (Net)		2,948,453,696.00	2,776,076,226.00
II Other Operating income	20	14,266,864.00	10,186,374.00
III Total income (I + II)		2,962,720,560.00	2,786,262,600.00
IV Expenses			
Cost of materials consumed	21	2,323,460,595.00	2,151,906,570.00
Purchases of stock - in - trade	22	23,866,089.00	36,339,205.00
Changes in inventories of finished goods, stock - in - trade and work - in - progress	23	(24,795,519.00)	4,695,966.00
Employee benefits expenses	24	176,388,441.00	166,294,601.00
Finance costs	25	17,442,732.00	28,943,837.00
Depreciation and amortization expenses	26	12,879,309.00	12,772,038.00
Other expenses	27	408,504,522.00	384,108,867.00
IV Total expenses		2,937,746,169.00	2,785,061,084.00
V Profit / (loss) before exceptional items and tax (I - IV)		24,974,391.00	1,201,516.00
VI Exceptional items		-	-
VII Profit / (loss) before tax (V - VI)		24,974,391.00	1,201,516.00
VIII Tax expense			
(1) Current tax	28	5,765,000.00	450,000.00
(2) Taxes for Earlier Years	28	28,316.00	(42,799.00)
(3) Deferred tax	28	10,242,647.00	835,588.00
IX Profit / (loss) for the period (VII - VIII)		8,938,428.00	(41,273.00)
X Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss	29	1,224,658.00	621,820.00
(ii) Income tax relating to items that will not be reclassified to profit or loss			
B (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
XI Total comprehensive income for the period (IX + X)		10,163,086.00	580,547.00
XII Earnings per equity share (for continuing operations)			
(1) Basic	30	0.83	0.05
(2) Diluted	30	0.83	0.05
XIII Earnings per equity share (for discontinued operations)			
(1) Basic			
(2) Diluted			
XIV Earnings per equity share (for discontinued & continuing operations)			
(1) Basic	30	0.83	0.05
(2) Diluted	30	0.83	0.05

As per our report of even date, attached,

For Kashyap & Co

Chartered Accountants
Registration No.: 011355C

Sd/-

Premjit S. Kashyap

Partner
Membership No.: 072295

Place : New Delhi

Date : 30.05.2019

For and on behalf of the Board of Directors

Sd/-

Akshay Modi

Director

(DIN: 03341142)

Sd/-

Pradeep Kapoor

Chief Financial Officer

Sd/-

Anil Modi

Chairman & M. Director

(DIN:00187078)

Sd/-

Ankit Agarwal

Company Secretary

CASH FLOW STATEMENT for the Year ended 31ST MARCH, 2019

(A) CASH FROM OPERATING ACTIVITIES:	(Amount in Rs.)			
	31.03.2019		31.03.2018	
Profit before Taxation	26,199,049		1,823,336	
Adjustments for:				
Depreciation	12,879,309		12,772,038	
Foreign exchange fluctuation	(1,822,626)		3,707,985	
Deferred revenue expenses incurred	(37,330,430)		(42,253,839)	
Deferred revenue expenses written off	29,843,974		22,576,423	
Provision for Gratuity	1,935,394		3,778,366	
Profit(-)/loss on sale of assets (net)	(90,160)		31,877	
Interest expenses	16,961,208	22,376,669	28,252,572	28,865,422
Operating profit before working Capital changes	48,575,718		30,688,758	
Adjustments for:				
Trade and other receivable	(65,102,047)		13,334,845	
Inventories	(87,304,036)		6,030,451	
Trade payables	49,557,890	(102,848,193)	179,166	19,544,462
Cash generated from operations	(54,272,475)		50,233,220	
Interest paid	(15,697,557)		(27,299,236)	
Direct taxes paid (Net of Refund)	4,051,313		359,347	
Cash flow before extra ordinary items	(65,918,719)		23,293,331	
Extra ordinary items (net)	-		-	
Net cash from operating activities (A)	(65,918,719)		23,293,331	
(B) CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of fixed assets	(17,911,894)		(8,873,224)	
Sale of fixed assets	424,898		606,190	
Net cash used in investing activities (B)	(17,486,996)		(8,267,034)	
(C) CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from issue of share capital (including Share Warrants)	100,000,095			
Proceeds from borrowings				
Repayments of borrowings	(15,809,885)		(28,022,117)	
Net Cash used in financing activities (C)	84,190,210		(28,022,117)	
Net increase (decrease) in cash and Cash equivalents (A+B+C)	784,495		(12,995,820)	
Cash and cash equivalents opening	5,569,285		18,565,105	
Cash and cash equivalents closing	6,353,780		5,569,285	
Net increase/decrease(-) as disclosed above	784,495		(12,995,820)	

As per our report of even date, attached,
For Kashyap & Co
 Chartered Accountants
 Registration No.: 011355C

Sd/-
Premjit S. Kashyap
 Partner
 Membership No.: 072295

Place : New Delhi
 Date : 30.05.2019

For and on behalf of the Board of Directors

Sd/-
Akshay Modi
 Director
 (DIN: 03341142)

Sd/-
Pradeep Kapoor
 Chief Financial Officer

Sd/-
Anil Modi
 Chairman & M. Director
 (DIN:00187078)

Sd/-
Ankit Agarwal
 Company Secretary

Statement of Changes in Equity for the period ended 31.03.2019

A. Equity Share Capital

Balance as at 01-04-2017	111179340.00
Changes in Equity share capital during the year	0.00
Balance as at 31 March, 2018	111179340.00
Changes in Equity share capital during the year	15384630.00
Balance as at 31 March, 2019	126563970.00

B. Other Equity

	Share application money pending allotment	Reserves and Surplus				Money received against share warrants	Total
		Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings		
As at 1 April, 2017		8981650.00	66646480.00	18733836.00	110424553.00	100000095.00	304786614.00
Profit for the year					(41,273.00)		(41,273.00)
Other Comprehensive Income					621820.00		621820.00
Total Comprehensive Income for the year					580547.00		580547.00
Dividends							0.00
At 31 March, 2018		8981650.00	66646480.00	18733836.00	111005100.00	100000095.00	305367161.00
Profit for the year					8938428.00		8938428.00
Other Comprehensive Income					1224658.00		1224658.00
Total Comprehensive Income for the year					10163086.00		10163086.00
Shares Issued			184615560.00			(100,000,095.00)	84615465.00
Dividends							0.00
At 31 March, 2019		8981650.00	251262040.00	18733836.00	121168186.00	0.00	400145712.00

Notes to financial statements for the year ended 31 March 2019

Modi Naturals Limited is a Public Limited Company domiciled in India and Incorporated under the provisions of Companies Act, 1956. The shares of company are listed at Bombay Stock Exchange. The Company is in the business of manufacturing and marketing of oils and de-oiled cakes.

Note :1. Basic of Preparation of Financial Statement

i.) Statement of compliance with Ind AS

These Financial Statements comply in all material aspects with Indian Accounting Standards (the 'Ind AS') notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other provisions of the Act. (Referred to as 'Indian GAAP').

ii.) Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All values are in Rupees except when otherwise indicated

iii.) Historical Cost Convention

The financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India and the relevant provisions of the Companies Act, 2013 including Indian Accounting Standards notified there under, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

- Defined benefit plan-plan assets measured at fair value.
- Certain financial assets and liabilities.
- Assets held for sale measured at the lower its carrying amount and fair value less cost to sell.

1.1 Summary of Significant Accounting Policies

A. Inventory Valuation

- Finished Goods - at lower of cost or net realizable value.
- Goods in Process - at weighted average cost
- Raw material - at weighted average cost
- Stores and spares - at cost (computed on FIFO basis)

- (e) Provision for obsolescence and other anticipated losses are made on the stocks, whenever identified / considered necessary.

B. Property, Plant and Equipment

On transition to Ind AS, the Company has adopted optional exemption under Ind AS-101 and elected to continue with the carrying value of all its property, plant and equipment as recognized in the financial statement at the date of transition i.e. at 1st April, 2016, measured as per the previous GAAP and use that as its deemed cost as at the transition date. Cost includes its purchase price (net of CENVAT/ duty credits wherever applicable), after deducting trade discounts and rebates. It includes other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the borrowing costs for qualifying assets and the initial estimate of restoration cost if the recognition criteria are met.

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the costs of the item can be measured reliably. Repairs and maintenance costs are charged to the statement of profit and loss when incurred. An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on DE recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively

C. Intangible assets

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

D. Depreciation

Based on internal assessment and independent technical evaluation carried out by external valuer, the management believes that the useful lives as given below best represent the period over which management expects to use these assets. The useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

And depreciation is charged on the following basis:-

- (i) Depreciation on All Assets is charged at Straight Line Method basis in the manner as prescribed in Companies Act 2013 and rate as per prescribed useful life
- (ii) Intangible assets – Computers are amortized over a period of 5 year and Website Development over a period of 10 Years on a straight line basis.

E. Impairment of Assets

Assets are grouped at the lowest levels for which there are separately identifiable cash flows (i.e. cash generating units). For the purpose of assessing impairment at each Balance Sheet date, Assets within a Cash Generating Unit are reviewed for impairment wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount at which the assets under individual Cash Generating Unit are carried in the books exceeds its recoverable amount being the higher of the assets net selling price and its value in use. Value in use is based on the present value of the estimated future cash flows relating to the assets.

Previously recognized impairment losses, relating to assets other than goodwill, are reversed where the recoverable amount increases because of favorable changes in the estimates used to determine the recoverable amount since the last impairment was recognized. A reversal of an asset impairment loss is limited to its carrying amount that would have been determined (net of depreciation or amortization) had no impairment loss been recognized in prior years.

F. Recognition of Revenues & Expenses

- (a) With effect from 01st April, 2018 the company has applied IND AS 115 : Revenue from Contract with customers which provided a framework determining the nature amount and timing of revenue recognition. The impact on the financial statement or adoption of the standard is insignificant.
- (b) Incomes and Expenditures are accounted for on accrual basis except for interest on account of delayed payments/overdue outstanding to various parties and insurance claims, where there is no reasonable certainty regarding the amount and/or its collectability. Interest income is stated in full with tax thereon being accounted under advance tax.
- (c) Domestic Sales are recognized on dispatch of goods by the Company to its customers.

G. Foreign Currency Transactions

(a) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in foreign currency, are reported using the exchange rates that existed when the values were determined.

(c) Exchange Differences

Exchange differences arising on the settlement of monetary items or on restatement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise except exchange differences on transactions relating to acquisition of fixed assets, which are taken up to the date of capitalization of the related fixed assets.

I. Employee Benefits Expenses and liabilities in respect of employee benefits are recorded in accordance with Indian Accounting Standard 19 – Employee Benefits:

(i) Provident Fund and ESI

The Company makes contribution to statutory Provident Fund and Employee State Insurance in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employee State Insurance Act, 1948 which is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

(ii) Gratuity

Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date less the fair value of plan assets, together with adjustment for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method.

Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligations recognized in Other Comprehensive Income. The effect of any plan amendments is recognized in net profits in the Statement of Profit and Loss.

(iii) Leave Encashment

Liability in respect of leave encashment is not applicable since the company pays leave encashment to employees every year.

(iv) Other Short Term Benefits

Expense in respect of other short term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

J. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

K. Accounting for Taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the

carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow deferred tax assets to be recovered.

The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

L. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends related to a fully paid equity share during the reporting period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

M. Leases

(a) Finance Lease

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalized. If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

(b) Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

N. Interim Financial Reporting

Quarterly financial results are published in accordance with the requirement of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

O. Deferred Revenue Expenditure

Expenditure is accounted on accrual basis except in specific cases of expenditure incurred against which a definite benefit is expected to flow into future periods. Such sums are treated as Deferred Revenue Expenditure and charged to Revenue Account over the expected duration of benefits.

P. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent Liabilities are not recognized but are disclosed, while Contingent Assets are neither recognized nor disclosed, in the financial statements.

Note 2. PROPERTY PLANT & EQUIPMENTS

CURRENT YEAR										
Item	GROSS CARRYING AMOUNT				DEPRECIATION			NET CARRYING AMOUNT		
	Cost as at 01.04.2018	Addition during the year	Sale/ Transfer	Cost as at 31.03.2019	Up to 01.04.2018	For The Year	Adjustment	Up to 31.03.2019	As At 31.03.2019	As at 31.03.2018
Land	11994105.00	0.00	0.00	11994105.00	-	-	-	0.00	11994105.00	11994105.00
Building	39241128.00	341077.00	-	39582205.00	15,099,290.00	1114974.00	0.00	16214264.00	23367942.00	24141839.00
Plant & Machinery	283317607.00	16032156.00	789445.00	298560318.00	146,164,764.00	8428610.00	463180.00	154130194.00	144430124.00	137152843.00
Electrical Equipment	4083035.00	0.00	0.00	4083035.00	2,209,566.00	401427.00	0.00	2610993.00	1472042.00	1873469.00
Furniture & Fixture	2181781.00	34254.00	0.00	2216035.00	1,657,591.00	119892.00	0.00	1777483.00	438552.00	524190.00
Laboratory Equipment	2287276.00	94280.00	0.00	2381556.00	1,335,605.00	252587.00	0.00	1588192.00	793364.00	951671.00
Office Equipment	1416368.00	478942.00	0.00	1895310.00	1,080,478.00	126668.00	0.00	1207146.00	688164.00	335890.00
Computers	4805333.00	386943.00	15199.00	5177077.00	3,781,613.00	534826.00	14439.00	4302000.00	875077.00	1023720.00
Vehicles	17787597.00	3925253.00	560454.00	21152396.00	8,393,199.00	1742153.00	552741.00	9582611.00	11569785.00	9394398.00
TOTAL	367114230.00	21292905.00	1365098.00	387042037.00	179722106.00	12721137.00	1030360.00	191412883.00	195629155.00	187392125.00
PREVIOUS YEAR										
ITEM	GROSS CARRYING AMOUNT				DEPRECIATION			NET CARRYING AMOUNT		
	Cost as at 01.04.2017	Addition during the year	Sale/ DJ During The Year	Cost as at 31.03.2018	Up to 01.04.2017	For The Year	Adjustment For Sale During The Year	Up to 31.03.2018	As At 31.03.2018	As at 31.03.2017
Land	11918730.00	75375.00	0.00	11994105.00	-	-	-	0.00	11994105.00	11918730.00
Building	39241128.00	0.00	0.00	39241128.00	13895288.00	1204002.00	0.00	15099290.00	24141839.00	25345840.00
Plant & Machinery	281951314.00	2708181.00	1341888.00	283317607.00	137912751.00	8252013.00	0.00	146164764.00	137152843.00	144038563.00
Electrical Equipment	4083035.00	0.00	0.00	4083035.00	1808141.00	401425.00	0.00	2209566.00	1873469.00	2274894.00
Furniture & Fixture	2152823.00	28958.00	0.00	2181781.00	1536093.00	121498.00	0.00	1657591.00	524190.00	616730.00
Laboratory Equipment	1856726.00	430550.00	0.00	2287276.00	1109413.00	226192.00	0.00	1335605.00	951671.00	747313.00
Office Equipment	1254230.00	162138.00	0.00	1416368.00	992638.00	87840.00	0.00	1080478.00	335890.00	261592.00
Computers	4444144.00	405604.00	44415.00	4805333.00	3294475.00	519391.00	32253.00	3781613.00	1023720.00	1149669.00
Vehicles	17444276.00	2782313.00	2438992.00	17787597.00	8404193.00	1802093.00	1813087.00	8393199.00	9394398.00	9040083.00
TOTAL	364346406.00	6593119.00	3825295.00	367114230.00	168952992.00	12614454.00	1845340.00	179722106.00	187392125.00	195393414.00

Note 3. Capital Work In Progress

Particulars	As at 31.03.2019	As at 31.03.2018
Plant and machinery under erection	90,982.00	3,571,993.00
Total	90,982.00	3,571,993.00

Note 4. INTANGIBLE ASSETS

CURRENT YEAR										
Item	GROSS CARRYING AMOUNT				DEPRECIATION			NET CARRYING AMOUNT		
	Cost as at 01.04.2018	Addition during the year	Sale/ Transfer	Cost as at 31.03.2019	Up to 01.04.2018	For The Year	Adjustment	Up to 31.03.2019	As At 31.03.2019	As at 31.03.2018
Computer Softwares	1047454.00	100000.00	0.00	1147454.00	786175.00	123712.00	0.00	909887.00	237567.00	261279.00
Intangible Assets	361784.00	0.00	0.00	361784.00	293656.00	34460.00	0.00	328116.00	33668.00	68128.00
TOTAL	1409238.00	100000.00	0.00	1509238.00	1079831.00	158172.00	0.00	1238003.00	271235.00	329407.00
PREVIOUS YEAR										
Item	GROSS CARRYING AMOUNT				DEPRECIATION			NET CARRYING AMOUNT		
	Cost as at 01.04.2017	Addition during the year	Sale/ Transfer	Cost as at 31.03.2018	Up to 01.04.2017	For The Year	Adjustment	Up to 31.03.2018	As At 31.03.2018	As at 31.03.2017
Computer Softwares	997454.00	50000.00	0.00	1047454.00	663050.00	123125.00	0.00	786175.00	261279.00	334404.00
Intangible Assets	361784.00	0.00	0.00	361784.00	259197.00	34459.00	0.00	293656.00	68128.00	102587.00
TOTAL	1359238.00	50000.00	0.00	1409238.00	922247.00	157584.00	0.00	1079831.00	329407.00	436991.00

Note 5. Trade receivables

Particulars	As at 31.03.2019	As at 31.03.2018
Exceeding 6 months from payment due date		
- Unsecured, considered good	8,637,211.00	5,990,712.00
- Allowance for bad & doubtful debts		
	8,637,211.00	5,990,712.00

Less than 6 months

- Unsecured, considered good from related party

- Unsecured, considered good	116,953,377.00	78,167,939.00
	116,953,377.00	78,167,939.00
Total	125,590,588.00	84,158,651.00

Note 6. Loans and Advances

Particulars	Non - current		Current	
	As at 31.03.2019		As at 31.03.2018	
Capital Advances	-		137,789.00	
Advances other than Capital Advances -				
- Security deposits	8,291,129.00		7,833,533.00	
- Advances to Other - Transporter, Packing Material etc		2,249,436.00		1,304,511.00
- Advances to suppliers		1,020,624.00		2,694,066.00
- Others	128,655.00	585,271.00	97,139.00	569,259.00
-Prepaid Expenses				
-Myanmar Operation Expenses		1,753,581.00		
Employee related		95,949.00		155,782.00
Balances with statutory authorities				
-PF Under Protest		1,905,223.00		1,905,223.00
-Advance Tax		261,722.00		4,926,912.90
-FSSAI Under Protest	-	50,000.00	-	50,000.00
-Other - TDS, Service Tax, CST and Entry Tax		22,404.00		118,975.00
Total other Assets	8,419,784.00	7,944,210.00	8,068,461.00	11,724,728.90

Note 7. Bank Balances

Particulars	Non - current		Current	
	As at 31.03.2019		As at 31.03.2018	
Fixed Deposits with Banks against margin money				
- With maturity of more than 3 Months but less than 12 Months		2,413,205.00		1,025,000.00
-With maturity for 12 months or more		2,065,810.00		1,273,942.00
Total		4,479,015.00		2,298,942.00

Note 8. Other assets

Particulars	Non - current		Current	
	As at 31.03.2019		As at 31.03.2018	
-Prepaid Expenses		2,614,975.00		2,559,689.00
-Deferred Revenue Expenditures	54,515,096.00	29,411,754.00	49,889,577.00	26,550,817.00
-Interest Receivables		475,770.00		870,077.00
Foreign gains receivables				
Balances with statutory authorities:				
-GST/VAT Receivable Capital Goods	1,070,608.00	359,618.00	167,710.00	55,903.00
-GST/VAT Receivable Other than Capital Goods		44,809,999.00		23,243,477.00
Total other assets	55,585,704.00	77,672,116.00	50,057,287.00	53,279,963.00

Note 9. Inventories

Particulars	As at 31.03.2019		As at 31.03.2018	
	Raw Materials		186,645,027.00	
Stores & Spares		34,897,211.00		38,238,365.00
Work - in - progress		-		-
Finished goods - Produced		413,449,363.00		394,058,280.00
Finished goods - Trading		21,060,338.00		15,655,902.00
Others - Promotional Material		537,868.00		505,516.00
Total		656,589,807.00		569,285,771.00

9.1. Additional information as per Schedule III

Mode of valuation of inventories

- Raw Materials
- Finished Goods

At Weighted Average Cost

At Lower of Average Cost or Net Realisable Value

- Stores	At Weighted Average Cost	
- Spares	At Cost on FIFO basis	
Value of goods in transit included in sub - heads above		
- Raw materials	4,400,256.00	-
- Work - in - progress	-	-
- Finished goods	4,076,638.00	-

Note 10. Cash & cash equivalents

Particulars	Non - current	Current	Non - current	Current
	As at 31.03.2019		As at 31.03.2018	
Balances with banks				
- in Current Accounts		542,471.00		2,439,002.00
- Unpaid Dividend Account				
Cheques, drafts on hand		-		2,000.00
Cash on hand		1,332,294.00		829,341.00
Total	-	1,874,765.00	-	3,270,343.00

Note 11. Share capital

Particulars	As at 31.03.2019	As at 31.03.2018
Authorised		
2,00,00,000 (Previous Year : 2,00,00,000) equity shares of Rs 10 each	200,000,000.00	200,000,000.00
Total	200,000,000.00	200,000,000.00
Issued Subscribed & Fully Paid up		
1,26,56,397 (Previous Year : 1,11,17,934) equity shares of Rs 10 each	126,563,970.00	111,179,340.00
Total	126,563,970.00	111,179,340.00

11.1. Additional information as per Schedule III

11.1. Reconciliation of the number of shares

	As At 31.03.2019		As At 31.03.2018	
	No of Shares	Amount (Rs)	No of Shares	Amount (Rs)
Equity Share Capital				
Number of shares at the beginning	11,117,934	111,179,340	11,117,934	111,179,340
Add : Shares issued during the year				
Conversion of Convertible warrants in to Equity Shares	1,538,463	15,384,630	0	0
At the end of the year	12,656,397	126,563,970	11,117,934	111,179,340

11.2 The company has only one class of equity shares, having a par value of Rs.10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. Each shareholder is eligible to one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

11.3 Shares in the company held by each shareholder holding more than 5% shares are as under:

	As At 31.03.2019		As At 31.03.2018	
	No of Shares	% age	No of Shares	% age
Mr. Anil Modi	4,586,008	36.23	4,545,922	40.89
Ms. Nita Modi	1,650,034	13.04	1,636,346	14.72
Mr. Akshay Modi	1,076,586	8.51	455,236	4.09
Das Investment Private Limited	646,000	5.10	646,000	5.81

11.4 Issued, subscribed and paid-up capital of the company includes:-

- (i) 4238967 shares (Previous Year 4238967) allotted as Bonus Shares by way of Capitalisation of Profits
- (ii) 2640000 Shares (Previous Year 2640000) issued by way of conversion of Optionally Convertible Warrants into equity shares Rs.10/- each at a premium of Rs.20/- each.
- (ii) 1538463 Shares (Previous Year NIL) issued by way of conversion of Optionally Convertible Warrants into equity shares Rs.10/- each at a premium of Rs.120/- each.

Note 12. Other equity

Particulars	Equity component of compound financial instruments	Reserves and Surplus				Items of other comprehensive income	Total
		Capital reserve	Securities premium account	Profit & Loss	General Reserve	Other items of other comprehensive income (Remeasurement of the Net Defined Benefit Plan)	
As at 01.04.2018	-	8,981,650.00	66,646,480.00	109,960,378.00	18,733,836.00	1,044,722.00	205,367,066.00
Changes in accounting policy							
Prior period errors							
Restated balance as at 01.04.2018	-	8,981,650.00	66,646,480.00	109,960,378.00	18,733,836.00	1,044,722.00	205,367,066.00
Other comprehensive income	-					1,224,658.00	1,224,658.00
Dividends	-						
Additions during the period	-		184,615,560.00	8,938,428.00	-	-	193,553,988.00
Transfer to retained earnings	-						
Transfer to OCI	-						
Due to business combination	-						
Deletion during the period	-						
As at 31.03.2019	-	8,981,650.00	251,262,040.00	118,898,806.00	18,733,836.00	2,269,380.00	400,145,712.00

Note 13. Borrowings

Particulars	Non - Current		Current	
	As at 31.03.2019		As at 31.03.2018	
Term Loan from banks				
- Secured				
From Bank	6,071,498.00		12,161,983.00	
Vehicle Loans	3,553,906.00		1,164,258.00	
Vehicle Loan from other parties				
- Secured				
Remeasured				
Working capital loan from banks repayable on demand				
- Secured		283,695,821.00		294,852,993.00
Unsecured Loans repayable on demand				
- From Directors		13,766,863.00		15,866,863.00
- From Companies				
Total	9,625,404.00	297,462,684.00	13,326,241.00	310,719,856.00

13.1 Term Loan from banks is secured by way of equitable mortgage of Factory Land & Building and Hypothecation of Plant & Machinery of all the units at Bisalpur Road and Bareilly Road, Stock and Book Debts, Personal guarantees of Mr. Anil Modi, Mrs. Nita Modi and Mr. Akshay Modi

13.2 Working Capital facility comprises cash credit from bank and is secured against hypothecation of raw materials, semi finished goods, finished goods, consumable stores, book debts, all securities of units at Bisalpur Road and Bareilly Road, Pilibhit and personal guarantees of Mr. Anil Modi, Mrs. Nita Modi and Mr Akshay Modi.

13.3 Vehicle Loans are secured against hypothecation of respective Vehicles

13.4 Term of repayment and interest are as follows:-

Loan From	ROI*	As at 31.03.2019		As at 31.03.2018		
		No. of Instalments Left	Year of Maturity	ROI*	No. of Instalments Left	Year of Maturity
Term Loan from Banks - HDFC	9.80%	25	2021	9.80%	37	2021
Term Loan from Banks - Yes Bank						
Vehicle Loan from Others Skoda				10.55%	1	2018
Vehicle Loan from Bank Ford Eco Sport				10.10%	6	2018
Vehicle Loan from Bank Toyota Corolla	9.50%	25	2021	9.50%	37	2021
Vehicle Loan from Bank Toyota Corolla	8.50%	17	2020	8.50%	29	2020
Vehicle Loan from Bank Toyota Camri	8.90%	36	2022			

Working Capital Loan - HDFC	9.35%	Payable on Demand	9.30%	Payable on Demand
Working Capital Loan - Yes Bank	8.80%	Payable on Demand	8.80%	Payable on Demand
Loan from Directors	9.00%	Payable on Demand	10.00%	Payable on Demand
Loan from Companies				

Note 14. Trade payables

Particulars	Non - current	Current	Non - current	Current
	As at 31.03.2019		As at 31.03.2018	
Due to parties registered under MSMED Act	-	-	-	-
Due to other parties	249,464.00	67,960,009.00	148,955.00	39,307,444.00
Due to related parties	-	-	-	-
Total	249,464.00	67,960,009.00	148,955.00	39,307,444.00

14.1 Based on the information so far obtained by the Company, payment to enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) has been made within 45 days and disclosure in accordance with section 22 of the MSMED Act is as under:

Principal amount remaining unpaid	
Principal amount remaining unpaid above 45 days	
Interest due on above	
Total of above	
Interest paid in terms of section 16	
Interest due and payable for the period of delay in payment	
Interest accrued and remaining unpaid	
Interest due and payable even in succeeding years	

Note 15. Provisions

Particulars	Non - current	Current	Non - current	Current
	As at 31.03.2019		As at 31.03.2018	
Provision for employee benefits				
- Gratuity	11,965,062.00	6,457,951.00	11,259,386.00	5,228,233.00
Others				
- Provision for Expenses	-	167,260.00	-	500,000.00
Total	11,965,062.00	6,625,211.00	11,259,386.00	5,728,233.00

Note 16. Deferred tax assets / liabilities (net)

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
Deferred tax liabilities	31	53,510,522.00	43,267,875.00
Net deferred tax liabilities		53,510,522.00	43,267,875.00

Note 17. Other liabilities

Particulars	Non - current	Current	Non - current	Current
	As at 31.03.2019		As at 31.03.2018	
Security Deposits		9,100,000.00		9,500,000.00
Statutory Payables				
- Sales Tax/GST payables		643,751.00		889,875.00
- PF & ESI payables		1,245,596.00		901,667.00
- TDS/TCS payables		3,281,849.00		2,593,283.00
- Service Tax Payable				
Other Liabilities for expenses		116,679,232.00		100,481,981.00
Statutory Payables		12,029.00		115,100.00
Interest Accrued but not due		1,603,729.00		
Current maturities of long term debt	-	7,314,830.00	-	6,166,706.00
Book Overdraft	-	1,315,400.00	-	2,916,922.00
Advance Received from Customers	-	13,213,469.00	-	9,117,646.90
Total		154,409,885.00		132,683,180.90

Note 18. Current tax Liability (net)

Particulars	Current	Current
	As at 31.03.2019	As at 31.03.2018
Provision for Income Tax	5,629,438.00	450,000.00
Total	5,629,438.00	450,000.00

Note 19. Revenue from operations

Particulars	Note No.	Year ended 31.03.2019	Year ended 31.03.2018
A. Sale of Goods	40.1	2,948,453,696.00	2,776,076,226.00
Total		2,948,453,696.00	2,776,076,226.00

Note 20. Other operating income

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Interest income	1,041,619.00	700,965.00
Sundry Balance/Excess Provision written back	3,338,497.00	2,076,246.00
Foreign Exchange Fluctuation	1,822,626.00	-
Net Gain on sale of fixed assets	176,425.00	76,189.00
Misc. Income	7,887,697.00	7,332,974.00
Total	14,266,864.00	10,186,374.00

Note 21. Cost of materials consumed

Particulars	Note No.	Year ended 31.03.2019	Year ended 31.03.2018
Raw material	40.3	2,205,453,747.00	2,047,686,027.00
Packing Material		86,758,203.00	67,276,161.00
Chemicals	40.3	31,248,645.00	36,944,382.00
Total		2,323,460,595.00	2,151,906,570.00

Note 22. Purchases of stock - in - trade

Particulars	Note No.	Year ended 31.03.2019	Year ended 31.03.2018
Imported	40.4	23,866,089.00	22,845,679.00
Indigenous	40.4	-	13,493,526.00
Total		23,866,089.00	36,339,205.00

Note 23. Changes in inventories of finished goods, stock - in - trade & work - in - progress

Particulars	Note No.	Year ended 31.03.2019	Year ended 31.03.2018
Inventories at the end of the year			
Finished Goods	40.2	413,449,363.00	394,058,280.00
Stock in trade	40.2	21,060,338.00	15,655,902.00
Inventory at the beginning of the year			
Finished Goods		394,058,280.00	400,167,259.00
Stock in trade		15,655,902.00	14,242,889.00
Total		(24,795,519.00)	4,695,966.00

Note 24. Employee benefits expenses

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Salary & Wages & Bonus	164,293,832.00	154,281,244.00
Contribution to provident & other funds	7,973,254.00	7,737,596.00
Recruitment Expenses	911,819.00	159,813.00
Workman and staff welfare	691,145.00	669,098.00
Gratuity	2,518,391.00	3,446,850.00
Total	176,388,441.00	166,294,601.00

Note 25. Finance costs

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Interest Expense		
- On Short Term Borrowings	13,975,637.00	24,380,465.00
- On Long Term Borrowings	1,721,920.00	2,918,771.00
- On Gratuity	1,263,651.00	953,336.00
Other Financial Charges	481,524.00	691,265.00
Total	17,442,732.00	28,943,837.00

Note 26. Depreciation and amortization expense

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Depreciation of tangible assets	12,721,137.00	12,614,454.00
Amortization of intangible assets	158,172.00	157,584.00
Total	12,879,309.00	12,772,038.00

Note 27. Other expense

Particulars	Note No.	Year ended 31.03.2019	Year ended 31.03.2018
Consumption of stores & spare parts		9,948,617.00	9,439,808.00
Job work costs		1,072,819.00	-
Power & fuel		93,765,715.00	84,164,310.00
Repairs & maintenance			
- Building		1,535,262.00	337,557.00
- Plant and Machinery		1,613,757.00	1,766,453.00
- Others		1,593,044.00	1,213,462.00
Insurance		2,433,542.00	2,741,242.00
Rent	39.2	10,175,526.00	7,791,110.00
Rates & Taxes		1,734,018.00	1,706,901.00
Payment to Auditors	38	450,000.00	450,000.00
Bank Charges		1,753,554.00	821,986.00
Freight & Forwarding		86,358,169.00	89,311,077.00
Commission		11,493,647.00	11,845,068.00
Other selling expenses		120,582,110.00	108,042,835.00
Foreign Exchange Fluctuation		-	3,707,985.00
Service Tax/Entry Tax Paid		214,991.00	1,664,975.00
Loss on sale of fixed assets		86,265.00	108,066.00
Deferred Revenue Expenditures Written off		29,843,974.00	22,576,423.00
Other expenses		33,849,512.00	36,419,609.00
Total		408,504,522.00	384,108,867.00

Note 28. Tax expense

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Current tax	5,765,000.00	450,000.00
Taxes for Earlier Years	28,316.00	(42,799.00)
Deferred tax	10,242,647.00	835,588.00
Total	16,035,963.00	1,242,789.00

Note 29. Items that will not be reclassified to profit or loss

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Other Comprehensive Income (Remeasurement of the Net Defined Benefit Plan)	1,224,658.00	621,820.00
Total	1,224,658.00	621,820.00

Note 30. Earnings per share

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Continuing operations		
Net profit for as per Statement of Profit & Loss (calculation of basic EPS)	10,163,086.00	580,547.00
Net profit as above	10,163,086.00	580,547.00
Net profit for calculation of diluted EPS	10,163,086.00	580,547.00
Weighted average number of equity shares in calculating basic EPS	12,196,966.00	11,117,934.00
Effect of dilution:		
Convertible Warrants		1,538,463.00
Weighted average number of equity shares in calculating diluted EPS	12,196,966.00	12,656,397.00
Basic earning per share	0.83	0.05
Diluted earning per share	0.83	0.05

Note 31 : Deferred Taxation

Particulars	As at 31.03.2019	As at 31.03.2018
Deferred Tax Liability		
Depreciation	3,39,70,760	2,97,82,576
Other Deductions	2,59,33,395	2,34,65,581
Sub Total – A	5,99,04,155	5,32,48,157
Deferred Tax Assets		
Business Loss / Unabsorbed Dep.	-	42,62,802
Deduction u/s 43B	6,35,115	6,22,806
Disallowance 40(A)(7)	57,58,518	50,94,674
Sub Total – B	63,93,633	99,80,282
Net Deferred Tax Assets/(Liability) (B-A)	(5,35,10,522)	(4,32,67,875)

Note 32 : Contingent Liabilities

S.No.	Particulars	As at 31.03.2019	As at 31.03.2018
i)	Provident Fund	54,62,669	54,62,669
ii)	Excise Duty	-	3,69,74,818
iii)	Sales tax against pending forms	7,72,517	15,89,537
iv)	FSSAI	1,75,000	-

Based on legal advice, discussions with the solicitors, etc., the management believes that there is fair chance of decisions in the company's favour in respect of all the items listed at (i) to (iv) above and hence no provision is considered necessary against the same. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations.

Note 33. Commitment

Particulars	For the Year ended 31.03.2019	For the Year ended 31.03.2018
Estimated value of contracts remaining to be executed on capital account and not provided for (net of advances)	-	52,552

Note 34: Employee Benefits
A. Defined Benefit plans

Gratuity Recognised in financial statements as per Actuarial Valuations as on March 31, 2019

Assumptions	As at March 31, 2019	As at March 31, 2018
Economic Assumptions		
Discount rate	7.66%	7.71%
Salary escalation	5.50%	5.50%
Demographic Assumptions		
Retirement Age	58	58
Mortality rates inclusive of provision for disability	100% of IALM (2006-08)	100% of IALM (2006-08)
Attrition at Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
-Up to 30 Years	3%	3%
-From 31 to 44 years	2%	2%
-Above 44 years	1%	1%
Movements in present value of the defined benefit obligation	As at March 31, 2019	As at March 31, 2018
Present value of obligation as at the beginning of the period	1,63,89,773.00	1,26,43,715.00
Interest cost	12,63,651.00	9,53,336.00
Current service cost	25,18,391.00	25,47,017.00
Past Service Cost including curtailment Gains/Losses	-	8,67,525.00
Benefit paid	(5,24,144.00)	-
Actuarial (Gain)/Loss on obligation	(12,24,658.00)	(6,21,820.00)
Actuarial (Gain)/Loss on arising from Experience Adjustment		
Liability at the end of the year	1,84,23,013.00	1,63,89,773.00
Movements in the fair value of plan assets	As at March 31, 2019	As at March 31, 2018
Fair Value of plan assets at the beginning of the period / year	-	-
Contribution from the employer	-	-
Actual return on plan assets	-	-
Benefits paid	-	-
Actuarial gain/loss for the year on asset	-	-
Fair value of the plan assets at the end of the period / year	-	-
Amount recognized in the Balance Sheet	As at March 31, 2019	As at March 31, 2018
Present Value of the obligation at end	1,84,23,013.00	1,63,89,773.00
Fair value of plan assets at the end of the period /year	-	-
Unfunded Liabilities recognized in the Balance Sheet	(1,84,23,013.00)	(1,63,89,773.00)
Expenses recognized in the Statement of Profit and Loss	As at March 31, 2019	As at March 31, 2018
Current service cost	25,18,391.00	25,47,017.00
Past Service Cost	-	8,67,525.00
Net Interest cost	12,63,651.00	9,53,336.00
Net actuarial (gain)/loss recognized in the period	(12,24,658.00)	(6,21,820.00)
Expense recognized in the Statement of Profit and Loss	25,57,384.00	37,46,058.00
Other Comprehensive Income	As at March 31, 2019	As at March 31, 2018
Net cumulative unrecognized actuarial gain/(loss) opening	-	-
Actuarial gain / (loss) for the year on PBO	-	-
Actuarial gain / (loss) for the year on Asset	-	-
Unrecognized actuarial gain/(loss) at the end of the year	-	-
Description of plan assets:		
Major categories of plan assets	As at March 31, 2019	As at March 31, 2018
Insurer managed fund	100%	100%
Change in Net benefit Obligations	As at March 31, 2019	As at March 31, 2018
Net defined benefit liability at the start of the period	1,63,89,773.00	1,26,43,715.00
Acquisition adjustment	-	-

Total Service Cost	25,18,391.00	34,14,542.00
Net Interest cost (Income)	12,63,651.00	9,53,336.00
Actuarial (gain)/loss on obligation	(12,24,658.00)	(6,21,820.00)
Contribution paid to the Fund	-	-
Benefit paid directly by the enterprise	(5,24,144.00)	-
Net defined benefit liability at the end of the period	1,84,23,013.00	1,63,89,773.00
Bifurcation of PBO at the end of year in current and Non-Current.	As at March 31, 2019	As at March 31, 2018
Current liability (Amount due within one year)	64,57,951.00	51,30,387.00
Non-Current liability (Amount due over one year)	1,19,65,062.00	1,12,59,386.00
Total PBO at the end of year	1,84,23,013.00	1,63,89,773.00
Sensitivity Analysis of the defined benefit obligation	As at March 31, 2019	
a) Impact of the change in discount rate		
-Impact due to increase of 0.50 %	(6,11,461.00)	
-Impact due to decrease of 0.50 %	6,64,434.00	
b) Impact of the change in salary increase		
-Impact due to increase of 0.50 %	6,38,102.00	
-Impact due to decrease of 0.50 %	(5,93,105.00)	

Sensitivities due to mortality and withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

The estimates of future salary increase considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors. The above information is certified by the actuary and relied upon by the auditors.

The employer's best estimate of contribution expected to be paid during the next year is Rs. 43,22,731.00.

B. Defined Benefit plans – Leave Encashment

Liability in respect of leave encashment is not applicable since the company pays leave encashment to employees every year.

C. Defined Contribution plans – Provident Fund and ESI

The Company has recognized Rs. 79,73,254 (As on 31 March, 2018: Rs. 77,37,596) in statement of profit and loss as Company's contribution to provident fund and ESI.

Note 35: RELATED PARTY DISCLOSURE

1. Names of the related parties with whom transactions have taken place during the year:-

(A) Key Management Personnel

- Mr. Anil Modi, Managing Director
- Mr. Akshay Modi, Executive Director

(B) Relatives of Key Management Personnel.

- Nita Modi

(C) Enterprises over which key Management personnel, or his relative, has significant influence.

- NA

Note : Related parties are as identified by the company and relied upon by the Auditors.

2. Transactions carried out with related parties referred in 1 above in ordinary course of business:-

Nature of Transaction	THIS YEAR			PREVIOUS YEAR		
	Referred in 1(A) above	Referred in 1(B) above	Referred in 1(C) above	Referred in 1(A) above	Referred in 1(B) above	Referred in 1(C) above
Expenses:						
Remuneration	63,75,000	5,22,000	-	55,71,000	5,22,000	-
Perquisites						
Company's Contribution to Provident Fund	4,05,000	-		3,69,000	-	
Interest Paid	10,57,168	-	-	10,06,053	-	-
Loan Taken	78,00,000	-	-	60,00,000	-	-
Loan Repaid	99,00,000			3,21,000		
Outstanding Payables:						
Loan (Inc Interest)	1,47,18,314	-	-	1,58,66,863	-	-
Payable	7,12,770	43,500	-	13,38,720	-	-

Note 36: Financial Instruments

Capital Management

The Company manages its capital to ensure that the entities in the Company will be able to continue as going concern while maximizing the return to shareholders and also complying with the ratios stipulated in the loan agreements through the optimization of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as detailed in note 13 offset by cash and bank balances as detailed in note 7 & 10) and total equity of the Company.

The Company is not subject to any externally imposed capital requirements.

36.1 Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

Particulars	As at	As at
	31 March, 2019	31 March, 2018
Debt (See note 'i' below)	31,44,02,918	33,02,12,803
Cash and bank balances	63,53,780	55,69,285
Net debt	30,80,49,138	32,46,43,518
Total equity	52,67,09,682	41,65,46,501
Net debt to equity ratio (%)	58.49%	77.93%

Note:

- Debt is defined as long and short-term borrowings (excluding derivative, financial guarantee contracts), as described in note 13 and note 17 (amount shown as "Current Maturities of long term Debts").
- In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to call loans and borrowings or charge some penal interest. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the current years and previous years.

36.2 Categories of financial instruments

Particulars	As at 31 March, 2019 (Rs./Lacs)	As at 31 March, 2018 (Rs./Lacs)
Financial assets		
Measured at amortized cost		
Other financial assets (non current)	-	-
Trade receivables	12,55,90,588	8,41,58,651
Cash and cash equivalents	18,74,765	32,70,343
Bank Balances other than Cash and cash equivalents	44,79,015	22,98,942
Other financial assets (current)	-	-
Loans and Advances	1,63,63,994	1,97,93,190
Measured at fair value through Profit & Loss		
Investments		
Financial liabilities		
Measured at amortized cost		
Borrowings (non-current)	96,25,404	1,33,26,241
Borrowings (current)	30,47,77,514	31,68,86,562
Trade payables	6,82,09,473	3,94,56,399
Other financial liabilities (non-current)	-	-
Other financial liabilities (current)	-	-

36.3 Fair value measurements

Fair value of the Group's financial assets and liabilities that are measured at fair value on a recurring basis financial assets and financial liabilities

Particulars	Fair value as at		Fair value hierarchy Level
	31-03-19	31-03-18	
-Other Financials assets (non-current)	-	-	-
-borrowings	31,44,02,918	33,02,12,803	2

36.4 Financial risk management

The Company's activities expose it to a variety of financial risks which includes market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company's focus is to ensure liquidity which is sufficient to meet the Company's operational requirements. The Company monitors and manages key financial risks so as to minimize potential adverse effects on its financial performance. The Company has a risk management policy which covers the risks associated with the financial assets and liabilities. The details for managing each of these risks are summarized ahead.

36.5 Market risk

Market risk is the risk that the expected cash flows or fair value of a financial instrument could change owing to changes in market prices. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates

36.6 Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company's exposure to credit risk primary arises from trade receivables, balances with banks, investments and security deposits. The credit risk on bank balances is limited because the counter parties are banks with good credit ratings.

36.6.1 Trade Receivables

Credit risk is managed through credit approvals, establishing credit limits, continuous monitoring of creditworthiness of customers to which the company grants credit terms in the normal course of business. The Company also assesses the financial reliability of customers taking into account the financial condition, current economic trends and historical bad debts and ageing of accounts receivables.

36.6.2 Cash & Cash Equivalents

With respect to credit risk arising from financial assets which comprise of cash and cash equivalents, the Company's risk exposure arises from the default of the counter party, with a maximum exposure equal to the carrying amount of these financial assets at the reporting date. Since the counter party involved is a bank, Company considers the risks of non-performance by the counter party as non-material.

36.7 Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies

Related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at 31.03.2019

Particulars	Less than 1 year	1 to 5 years	Total
Non-Current borrowings	-	96,25,404	96,25,404
Current borrowings (includes amount shown in Note 17 as ("Current Maturities of long term Debts").	30,47,77,514	-	30,47,77,514
Trade payables	6,82,09,473	-	6,82,09,473
Other financial liabilities	-	-	-

As at 31.03.2018

Particulars	Less than 1 year	1 to 5 years	Total
Non-Current borrowings	-	133,26,241	133,26,241
Current borrowings (includes amount shown in Note 17 as ("Current Maturities of long term Debts").	31,68,86,562	-	31,68,86,562
Trade payables	3,94,56,399	-	394,56,399
Other financial liabilities	-	-	-

36.8 Fair value measurements

This note provides information about how the company determines fair values of various financial assets and financial liabilities. Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required) The directors consider that the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

Note 37. Operating Segment

The company's sole business segment is manufacturing and marketing of Oils & De-oiled Cakes and the geographical segment is India. Consequently no separate disclosure, as required under Indian Accounting Standard 108 – Operating Segment, is considered relevant.

Note 38. Amount paid/payable to Auditors (included under Other Expenses)

	This Year	Previous Year
As Audit Fee	3,25,000	3,25,000
For Tax Audit	1,00,000	1,00,000
For Taxation Work	25,000	25,000
Service Tax		
TOTAL	4,50,000	4,50,000

Note 39. Other Disclosures

39.1 The Company had issued and allotted 1538463 (Fifteen Lakh Thirty Eight Thousand Four Hundred and Sixty Three) Warrants in its Board Meeting held on 19 January, 2017 at a price of Rs. 130/- per Warrant on such terms and conditions as approved by way of Special Resolution passed at Extra Ordinary General Meeting dated 9 January, 2017. The Warrants may be converted into equivalent number of fully paid up equity shares on payment of balance amount at any time, not exceeding 18 (eighteen) months from the date of allotment of such warrants.

During the current year, upon request from the holders of aforesaid Warrants, the Board in its meeting held on 18.07.2018 approved the conversion of 1538463 warrants into equivalent number of fully paid up Equity Shares of face value of Rs. 10/- each as under:

Sr. No.	Name of the Warrant holders / Allottees	Category	No of Equity shares allotted upon conversion of Warrants
1	Mr. Charandeep Singh	Individual, Non-promoter	365385
2	M/s Pentagon Builders Private Limited	Corporate, Non-promoter	365385
3	Mr. Shreans Daga	Individual, Non-promoter	365385
4	Mr. Varun Daga	Individual, Non-promoter	365385
5	Mrs. Vrinda Suhrid Deorah	Individual, Non-promoter	76923
	Total		1538463

The Company has also obtained the Listing approval on August 13, 2018 and Trading Notice on August 27, 2018 from the BSE in respect of the aforesaid shares. However, the said Equity shares, subject to the terms and conditions stipulated at the time of their issue, are under a Lock-in for trading up to September 01, 2019.

39.2 Disclosure in respect of operating leases under Indian Accounting Standard (AS) – 17 “Leases”.

(a) General description of the Company's operating lease arrangements:

The Company enters into operating lease arrangements for leasing area offices, factory building, equipments and residential premises for its employees.

Some of the significant terms and conditions of the arrangements are:

- Agreements for most of the premises may generally be terminated by the lessee or either party by serving two to three month's notice or by paying the notice period rent in lieu thereof.
- The lease arrangements are generally renewable on the expiry of lease period subject to mutual agreement.
- The company shall not sublet, assign or part with the possession of the premises without prior written consent of the lessor.

(b) Lease rent charged to the Profit and Loss Account on account of Minimum lease rentals Rs.1,01,75,526/- (Previous year Rs. 77,91,110/-)

Note 40 : Additional information:
40.1 Sales of Products comprises of:

	2018-19	2017-18
Manufactured Goods		
Oils	2198109278	2044740152
Deoiled Rice Bran	687485534	667487209
Fatty	14626700	8768125
Others	16888334	14116340
Total – Sale of Manufactured Goods	2917109846	273511826
Trading Goods:		
Other Oil	31343850	40964400
DORB	-	-
Total – Sale of Traded Goods	31343850	40964400
Total Sales	2948453696	2776076226

40.2 Closing Stock of Finished Goods

	2018-19	2017-18
Manufactured Goods		
Oils	347341391	319735469
Deoiled Rice Bran	59986671	67385142
Others	4479156	2488752
Fatty	1642145	4448917
Total	413449363	394058280
Trading Goods:		
Other Oil	21060338	15654102
Certified Sunflower Seed	-	1800
Total	21060338	15655902

40.3 Material Consumed

A. Raw Material	2018-19	2017-18
Rice Bran	1222584028	1180583009
Oils	982611899	867103018
Others	257820	-
Total	2205453747	2047686027
B. Chemical		
Hexane	8924289	8858737
Activated Earth	13730672	16771807
Others	8593684	11313838
Total	31248645	36944382

40.4 Purchase of Stock in Trade

Oils	23866089	36339205
Total	23866089	36339205

40.5 Value of import on CIF basis of – (1) raw material 79546083 109102786
 (2) Capital Goods - -

40.6 Expenditure in Foreign Currency
 - Travelling Expenses 986535 1042286
 - Other Expenses (Commission) 45374

40.7 Earning in foreign currency - -
 - Value of Export of F.O.B. basis 3707171 -

40.8 Value of imported and indigenous raw materials, stores, components and spare parts consumed:

		For the year ended 31.03.2019		For the year ended 31.03.2018	
		Amount	%	Amount	%
(i)	Raw Material				
a.	Imported	96826841	4.39	122274271	5.97
b.	Indigenous	2108626906	95.61	1925411756	94.03
	Total	2205453747	100	2047686027	100
(ii)	Packing Material				
a.	Imported	442103	0.51	780934	1.16
b.	Indigenous	86316100	99.49	66495227	98.84
	Total	86758203	100	67276161	100
(iii)	Chemicals				
a.	Imported	-	-	-	-
b.	Indigenous	31248645	100	36944382	100
	Grand Total (i)+(ii)+(iii)	2323460595		2151906570	

Note: 41
Approval of financial statements

The financial statements for the year ended 31 March, 2019 were approved by the Board of Directors and authorize for issue on 30th May, 2019.

As per our report of even date, attached,
For Kashyap & Co
 Chartered Accountants
 Registration No.: 011355C

Sd/-
Premjit S. Kashyap
 Partner
 Membership No.: 072295

Place : New Delhi
 Date : 30.05.2019

For and on behalf of the Board of Directors

Sd/-
Akshay Modi
 Director
 (DIN: 03341142)

Sd/-
Pradeep Kapoor
 Chief Financial Officer

Sd/-
Anil Modi
 Chairman & M. Director
 (DIN:00187078)

Sd/-
Ankit Agarwal
 Company Secretary

FORM NO.: MGT – 11: PROXY FORM

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19 (3) of the Companies (Management and Administration) Rules, 2014

45th Annual General Meeting

CIN : L15142DL1974PLC007349
 Name of the Company : Modi Naturals Limited
 Registered Office : 405, Deepali Building, 92, Nehru Place, New Delhi-110019
 Website : www.modinaturals.com

Name of the Member(s)	_____	(IN BLOCK LETTERS)
Registered Address	_____	
E-mail ID	_____	
Folio No / Client ID /DP ID	_____	

I/We, being the member(s) of _____ Shares of the above named company, hereby appoint:

(1)	Name : _____	Address: _____	E-mail ID: _____	Signature: _____	or failing him
(2)	Name : _____	Address: _____	E-mail ID: _____	Signature: _____	or failing him
(3)	Name : _____	Address: _____	E-mail ID: _____	Signature: _____	

as my / our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 45th Annual General Meeting of the company, to be held on Monday, 30 September, 2019 at 3.00 P.M at Hotel Bluestone, CC24, Kalkaji, Near Nehru Enclave, Opp. Paras Cinema, New Delhi-110019 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I/We wish my/our above Proxy to vote in the manner as indicated in the box below:-

Resolution No.	Description of Resolutions	For	Against
	Ordinary Business		
1.	Adoption of the Audited Financial Statements of the Company for the year ended 31st March, 2019 together with the reports of the Directors' and Auditors' thereon.		
2.	Appoint a Director in place of Ms. Aditi Gupta (DIN: 01786037), Director, who retires by rotation and being eligible, offers herself for re-appointment		
	Special Business		
3.	Re-appointment of Mr. Anil Modi as Chairman cum Managing Director		
4.	Re-designation and Re-appointment of Mr. Akshay Modi as Joint Managing Director		
5.	Re-designation and appointment of Mrs. Aditi Gupta as Whole Time Director		
6.	Ratification of Payment of Remuneration of Cost Auditors for FY 2019-20		

Signed thisday of 2019.

**Affix
Revenue
Stamp of Re 1**

Signature of shareholder(s)

Signature of Proxy holder(s)

Notes:

- This form of proxy in order to be effective should be duly completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- The Proxy Form should be signed across the Revenue Stamp as per specimen signature(s) registered with the Company/Depository Participant.
- A Proxy need not be a Member.
- **This is only optional. Please put a 'x' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- As provided under Regulation 44 of the SEBI Listing Regulations, 2015, a shareholder may vote either for or against each resolution.

ATTENDANCE SLIP

45th Annual General Meeting on Monday, 30 September, 2019

DP ID- Client ID No./ Folio No.....

No. of Share(s) held:.....

Name of the Member / Proxy:.....

Address of the Member:.....

I/ We hereby record my/our presence at the 45th Annual General Meeting of Modi Naturals Limited held on Monday, 30 September, 2019 at 3.00 P.M. at Hotel Bluestone, CC24, Kalkaji, Near Nehru Enclave, Opp. Paras Cinema, New Delhi-110019.

.....
Signature of Member/ Proxy

Notes:

1. Please complete this attendance slip and hand it over at the entrance of the meeting hall.
 2. Members are informed that no duplicate slips will be issued at the venue of the meeting and are requested to bring this slip for the Meeting.
-

COURIER

if undelivered, please return to:



modi naturals limited

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