

TWENTY THIRD ANNUAL REPORT 2015-2016



Regd. Office :
102, 'SEERESHITA BHUMI', 1st Floor,
No. 87, K.R. ROAD, BANGALORE - 560 004.
Tel : 080-26671573, 26671571, 26671581,
Fax : 080-26671562
Email - info@naturalcapsules.com
URL - <http://www.naturalcapsules.com>
CIN No. : LK5110KA1993PLC014742



01st August, 2016

The Manager – Listing
BSE Limited
(BSE-524654)

Dear Sir /Madam,

Sub: Notice of AGM-2015-2016

Please find attached the Notice of the 23rd Annual General Meeting. This is also placed on our website.

<http://www.naturalcapsules.com/pdf/AGM-Notice-2015-16.pdf>

<http://www.naturalcapsules.com/pdf/Annual-Report-2015-16.pdf>

This is for your information and records

Yours Sincerely,
For Natural Capsules Limited

A handwritten signature in black ink, appearing to read 'Anand', is written over a horizontal line.

D R Anand
Company Secretary.



Unit - I : Plot No. 7A2, KIADB Industrial Area, Attibele-562 107, Bangalore. Tel : 08110-645068, Fax : 080-27820325
Unit- II : R.S. No. 84, Perambai Road, Pitchaiveeranpet, Pondicherry - 605 010. Tel : 0413-2290833, Fax : 0413-2293251



Regd. Office :
102, 'SHRESHTA BHUMI', 1st Floor,
No. 87, K.R. ROAD, BANGALORE - 560 004.
Tel : 080-26671573, 26671571, 26671581,
Fax : 080-26671562
Email - info@naturalcapsules.com
URL - http://www.naturalcapsules.com
CIN No. : L85110KA1993PLC014742



01st August, 2016

Dear Member,

You are cordially invited to attend the 23rd Annual General meeting of the members of Natural Capsules Limited ("the company") to be held on Friday, 26th August, 2016 at 10 A.M. IST at the Shri Krishnaraja Parishanmandira, Kannada Sahithya Parishat, Pampa Mahakavi Road, Chamarajpet, Bangalore-560018, Karnataka, India.

The notice of the meeting, containing the business to be transacted, is enclosed herewith. As per Section 108 of the Companies Act, 2013, read with the related Rules and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members the facility to cast their vote by electronic means on all resolutions set forth in the Notice. The instructions for e-voting are enclosed herewith.

Very truly yours,

Sunil L. Mundra
(Managing Director)



Enclosures:

1. Notice of the 23rd Annual General Meeting (AGM)
2. Instructions for e-voting
3. Proxy form
4. Attendance slip

Note: Attendees who are differently abled and required assistance at the AGM are requested to contact.
Mr. Lokesh: Natural Capsules Limited, : 102, "SHRESHTA BHUMI", #87, K.R. Road, Bangalore – 560004.
Phone: 080-26671571, 26671573, 26671581. Mobile No. 09243034247 Email id: corporate@naturalcapsules.com

NOTICE

Notice is hereby given that the 23rd Annual General Meeting (AGM) of the members of Natural Capsules Limited will be held on Friday, 26th August, 2016 at 10.00 A.M. at Shri Krishnaraja Parishanmandira, **Kannada Sahithya Parishat**, Pampa Mahakavi Road, Chamarajpet, Bangalore-560018, India, to transact the following business:-

Ordinary business:

1. To receive, consider and adopt the Audited Accounts for the year ended 31st March 2016 together with the Reports of the Directors and the Auditors thereon.
2. To declare dividend for the financial year 2015-16.
3. To appoint a Director in place of Mr. Laxminarayan Moondra (DIN 00214298), who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mrs. Jyoti Mundra (DIN 07143035), who retires by rotation and, being eligible, offers herself for re-appointment.
5. To ratify the appointment of Auditors of the company, and to fix their remuneration. To Consider and if thought fit to pass with or without modification(s) the following as an ordinary resolution :

"Resolved that, pursuant to Section 139 and all other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force) and the rules framed there under, pursuant to the recommendations of the audit committee, the appointment of M/s. Gnanoba & Bhat, Chartered Accountants as the Statutory Auditors of the Company for the Accounting/Financial year 2016-2017, be and is hereby ratified, on a remuneration to be fixed by Managing Director in consultation with the said Auditors".

SPECIAL BUSINESS:

6. To consider and if thought fit to pass with or without modifications, the following Resolution as a special resolution:
"RESOLVED THAT in partial modification of the special resolution passed in the AGM of the company held on 27th August, 2015, relating to the allotment of 11,00,000 convertible securities/Equity share warrants of Rs. 80/- each, which will be convertible at the option of security holders into fully paid equity shares of Rs. 10/- each (at a premium of Rs. 70/- each) on preferential basis to the promoters and non promoters as per the provisions of Section 62 read with Sec.42 and all other applicable provisions,if any, of the Companies Act, 2013 (the Act), Companies (Share Capital and Debentures) Rules 2014, Companies (Prospectus and Allotment of Securities) Rules 2014 including any statutory modifications or re-enactments thereof for the time being in force, the provisions of the Memorandum and Articles of Association of the Company, the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2009, (SEBI (ICDR) Regulations), the consent of the company be and is hereby granted to the non promoter holders of equity share warrants / convertible securities, for extension of time for conversion into equity shares, from 12 months to 18 months from the date of passing of special resolution in the last AGM held on 27th August, 2015, for exercise of the option to convert 6,60,000 equity share warrants/convertible securities to fully paid equity shares as per the details furnished hereunder:-
 - a) Laxmipath Dudheria (HUF) (1,65,000 Convertible securities/Equity share warrants)
 - b) Vinod R. Sethi (1,40,000 Convertible securities/Equity share warrants)
 - c) Nisha Dudheria (1,65,000 Convertible securities/Equity share warrants)
 - d) Salim P. Govani (1,90,000 Convertible securities/Equity share warrants)

Resolved Further that the validity of the earlier resolution passed for the preferential allotment of the above said convertible securities/equity share warrants and conversion of the same into equity shares, be and is hereby extended by six months up to 26th February, 2017, as permissible under the provisions of Chapter VII of the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009".

By Order of the Board of Directors
for **Natural Capsules Limited**

D R ANAND

Company Secretary.

Place: Bangalore
Date: July 30, 2016

TWENTY THIRD ANNUAL REPORT 2015-2016

Note:

1. The statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the special business set out in the notice is annexed.
2. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote in the meeting instead of himself / herself, and the proxy need not be member of the company. A person can act as a proxy on behalf of not exceeding fifty (50) members and holding in aggregate not more than ten (10) percent of the total share capital of the company.
3. Corporate members intending to send their authorised representatives to attend the meeting shall be supported by appropriate resolutions/authority as applicable.
4. 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.
5. Members / proxies / authorised representatives should bring the duly filled attendance slip enclosed herewith to attend the meeting.
6. The register of members and share transfer books will remain closed from **19th August 2016 to 26th August 2016** (both days inclusive) for determining members entitled to receive dividend for the financial year ended 31-03-2016.
7. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors viz. Rs.1.5/- per share, if declared at the meeting, will be paid within a period of 30 days from the date of declaration, to those members whose names appear on the Register of Member as on the date of the AGM.
8. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details. National Electronic clearing service (NECS), Electronic Clearing Service (ECS), mandates nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP) . Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's registrars and Transfer Agents, CAMEO CORPORATE SERVICES LIMITED (CCSL) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to CCSL.
9. Members are requested to address all correspondence, including dividend-related correspondence, to the Registrar and Share Transfer Agents, M/s. CAMEO CORPORATE SERVICES LIMITED, Subramanian Building, No 1, Club House Road, Chennai – 600002. Ph No. 28460390 (5 Lines) or to the Company.
10. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with D R Anand, Company Secretary, at the Company's registered office. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's unpaid dividend account, will, as per Section 124 of the Companies Act, 2013, be transferred to the investor education and protection Fund.
11. With a view to using natural resources responsibly as a part of Green Initiative, we request shareholders who have not registered their email to register the same with CCSL/Depositories to enable the company to send communications electronically.
12. The Annual report 2015-16 is being sent through electronic mode only to the members whose email addresses are registered with the Company / Depository participant(s), unless any member has requested for a physical copy of the report. For members who have not registered their email addresses, physical copies of the Annual Report 2015-16 are being sent by the permitted mode.
13. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 substituted by companies (Management and Administration) Amendment, Rules 2015, and Clause 35B of the listing Agreement, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by **Central Depository Services India Limited**. In order to enable its members, who do not have access to e-voting facility to send their assent or dissent in writing in respect of resolutions as set out in this notice; the Company is enclosing a ballot form with the Notice. Instructions for ballot form are given at the back of the said form and instructions for e-voting are given herein below. A resolution passed by members through ballot forms or e-voting is/are deemed to have been passed as if they've been passed at the AGM. The facility for voting, through ballot paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall also be able to exercise their votes by remote e-voting.
14. The Notice of the 23rd AGM and instructions for e-voting, along with the Attendance slip and Proxy form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s), unless a member has requested for a 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.
15. Members may also note that the Notice of the 23rd AGM and the Natural Capsules Limited Annual Report 2015-16 will be available on the Company's website, www.naturalcapsules.com.
16. Additional information, pursuant to **Clause 49** of the Listing Agreement / SEBI (LODR) Regulations, 2015, with the Stock exchanges, in respect of the directors seeking appointment / re-appointment at the AGM is furnished as annexure to the Notice. The directors have furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules thereunder.
17. 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 are required to submit their PAN details to the company.
18. 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.
19. Attendance registration:
 - a. Shareholders are requested to tender their attendance slips at the registration counters at the venue of the AGM and seek registration before entering the meeting hall.

20. Route map for the venue of the AGM to be held on 26-08-2016 is attached

E-VOTING FACILITY

As per the section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, e-voting facility is a mandatory requirement for listed companies.

The instructions for shareholders voting electronically are as under:

- 1 The voting period begins on 23rd August 2016 at 10.00 AM and ends on 25th August 2016 by 05.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19th August 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (i) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders.
 - (iv) Enter your User ID as categorised below
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (vii) If you are a first time user follow the steps given below:

PAN	PAN Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
Dividend Bank details OR Date of Birth (DOB)	<ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.

- If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Natural Capsules Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-voting available for android based mobiles. The m-Voting app can be downloaded from Google Play store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

TWENTY THIRD ANNUAL REPORT 2015-2016

- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- 2) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 19th August, 2016.
 - 3) The Company shall be making arrangement for the member to cast their votes in respect to the business through poll, for members attending the meeting who have not cast their vote by voting.
 - 4) M/s. PITALIYA AND ASSOCIATES, CHARTERED ACCOUNTANTS, have been appointed as the Scrutinizer to scrutinise the e-voting process in a fair and transparent manner.
 - 5) The Scrutinizer shall, immediately after the conclusion of voting at the General Meeting, first count the votes cast at the meeting, thereafter unlock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and present the report not later than three days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and Chairman shall declare the results of the voting forthwith, which shall not be later than 05.00 pm., 28th August, 2016.
 - 6) The result declared, along with the Scrutinizer's report shall be placed on the company's website www.naturalcapsules.com and on the website of the CDSL after the result is declared by the Chairman and also be communicated to the Stock Exchange where the company is listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

5. This explanatory statement is provided though strictly not required as per Sec.102 of the Act. M/s Gnanoba and Bhat, Chartered Accountant, Bangalore were appointed as Statutory Auditors for three years in the previous AGM held on 27.08.2014. As per Sec.139 (1) of the Act, their appointment for three years is subject to ratification by Members at every AGM. Accordingly, ratification of Members is sought for the proposal as per resolution stated in Agenda- 5. None of the Directors, Key Managerial Personnel or their relatives are interested in this item of business.
6. The company has passed a special resolution in the previous AGM held on 27th August, 2015, for the preferential issue / allotment of 3,30,000 equity shares of Rs. 10 each at a premium of Rs. 70/- each and 11,00,000 equity share warrants/convertible securities, out of which 3,30,000 equity share (fully paid) were already allotted and 4,40,000 convertible securities / equity share warrants are likely to be allotted on or before 26th August, 2016. However, the non promoter holders of 6,60,000 equity share warrants /convertible securities as stated in the resolution have formally requested the company to extend the time for conversion from 12 months to 18 months as permissible under the Chapter VII, Clause 75 of SEBI (ICDR) Regulations, 2009. They have already paid 25% of the total consideration of Rs. 80/- per equity share warrant / Convertible securities. The above said allotment of equity shares and equity share warrants / convertible securities have necessary approvals from Bombay Stock Exchange. Now the company has obtained clarification from BSE Limited that subject to approval of shareholders, the time for conversion of equity share warrants / convertible securities can be extended up to the maximum period of 18 months as stated in the resolution. The earlier resolution passed in the AGM held on 27th August, 2015, is reproduced hereunder for the information of the shareholders.

"RESOLVED THAT in accordance with the provisions of Section 62 read with Sec.42 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act), Companies (Share Capital and Debentures) Rules 2014, Companies (Prospectus and Allotment of Securities) Rules 2014 including any statutory modifications or re-enactments thereof for the time being in force, the provisions of the Memorandum and Articles of Association of the Company, the provisions of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, (SEBI (ICDR) Regulations), as in force and subject to other applicable rules, regulations and guidelines of Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI) and the stock exchanges where the shares of the Company are listed (Stock Exchanges) and other applicable regulations if any, amended from time to time, and subject to any necessary approval, consent, permission and / or sanction of the Central Government, Reserve Bank of India and any other appropriate authorities, institutions or Bodies and subject to such conditions as may be prescribed by any of them while granting any such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" and / or Committee thereof for the time being exercising the powers conferred by the Board by this resolution have been delegated), the consent of the Company be and is hereby accorded to the Board to offer, issue and allot up to 3,30,000 equity shares ("shares") and 11,00,000 Equity Share warrants/Convertible Securities ("Share Warrants/Convertible Securities"), in one or more tranches to the following persons on such terms and conditions as may be agreed to between the Company and the said Persons:

- | | | |
|-------------------------------|--------------------|-----------------------------|
| a) Nandi Synthetic Pvt. Ltd | d) Shrey Mundra | g) Laxmipath Dudheria (HUF) |
| b) Tajos Investments Pvt. Ltd | e) Vinod R. Sethi | h) Nisha Dudheria |
| c) Madhav Mundra | f) Salim P. Govani | |

on preferential basis considering the relevant date as 28th July 2015 in accordance with the provisions of Regulation 71(a) of Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and such other terms and conditions as may be approved by the Board of directors.

FURTHER RESOLVED THAT:

- i) Each Equity share will have a face value of Rs. 10/- per share and will be issued at a price of Rs. 80/- per share (inclusive of a premium of Rs.70/- per share) which is in accordance with chapter XIII (Guidelines for Preferential Issues) of the Securities and Exchange Board of India (Disclosure and Investor Protection Guidelines, 2000 issued by the Securities and Exchange Board of India ("SEBI ICDR Regulations, 2009") and the entire issue price is payable on subscription.
- ii) Each warrant/Convertible securities can be exercised within a period of 12 months from the date of approval by the shareholders, as per the provisions of Sec. 62, read with Sec. 42, of Companies Act 2013 and rules made there under, read with requirements of Chapter VII of the SEBI (ICDR) Regulations, 2009, for one (1) Equity shares of a face value of Rs. 10/- per share to be issued at a price of Rs. 80/- per equity share (inclusive of a premium of Rs. 70/- per share) which is in accordance with SEBI ICDR Regulations, 2009 and 25% of the exercise price is payable on subscription.
- iii) The subscription amount paid for the Warrants/Convertible securities shall be adjusted against the price payable on exercise of the Warrant.
- iv) The subscription amount paid for the Share Warrants/Convertible securities shall be forfeited if the Warrant is not exercised within a period of 12 months from the date of allotment.
- v) The "relevant date" on the basis of which the minimum price for issue of the equity shares shall be calculated for the purposes of Chapter XIII (Guidelines for Preferential Issues) of the SEBI (ICDR) regulations, 2009 is 28/07/2015 being the 30 days prior to 27th August, 2015, the date on which the meeting of general body of shareholders is being held in terms of Section 62 of the Companies Act, 2013, to consider the proposed issue.
- vi) The Board is hereby authorised to issue and allot the requisite number of shares and warrants/Securities to the promoters/ Investors.
- vii) The offer, issue and allotment of the aforesaid shares and warrants shall be made at such time or times as the Board may in its absolute discretion decide, subject however to applicable guidelines, notifications, rules and regulations and the material terms of the offers.
- viii) The shares and equity shares arising on exercise of the warrants/Convertible Securities as stated aforesaid shall rank pari-passu with the existing equity shares of the company.

FURTHER RESOLVED THAT the Board be and is hereby authorised to decide and approve other terms and conditions of the issue of issue of the above mentioned shares and also shall be entitled to vary, modify or alter any of the terms and conditions including size of the issue, as it may deem expedient."

Now it is proposed to pass the resolution as stated in the notice for granting extension of time to the non promoters from the 12 months to 18 months for conversion of equity share warrants / convertible securities into fully paid equity shares. It is also proposed to extend the validity of the earlier special resolution passed for preferential allotment of shares from 12 months to 18 months as stated in the notice. None of the Directors / Key managerial personnel are interested in this item of business. Hence the resolution as stated in the notice is recommended for approval of shareholders.

By Order of the Board of Directors
for **Natural Capsules Limited**

D R ANAND

Company Secretary.

Place: Bangalore
Date: July 30, 2016

Details of Directors Seeking Appointment / Re-appointment at the Annual General Meeting.

Particulars	Mr. Laxminarayan Moondra	Mrs.Jyoti Mundra
Date of Birth	01/06/1943	31/07/1967
Date of Appointment	01/06/2011	30/03/2015
DIN Number	00214298	07143035
Qualifications	B.Com	B.A
Expertise in specific functional areas	Wide business experience in Marketing and General Administration.	Wide experience in Information Technology.
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	1. Tajos Investments Private Limited 2. Square Plus Life Sciences Private Limited	NIL
Memberships/ Chairmanships of committees of other public companies (includes only Audit Committee and stakeholders relationship Committee.	NIL	NIL
Number of Shares held in the Company	160294	204463

NATURAL CAPSULES LIMITED

NATURAL CAPSULES LIMITED
Regd. Office: 102, "SHRESHTA BHUMU", #87, K.R.Road, Bangalore – 560004

PROXY FORM
Form No. MGT-11

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

Name of the member(s):.....

Registered Address :

Email Id : Folio No./Clint ID: DPID:.....

I/We being Member(s) ofshares of Natural Capsules Limited, hereby appoint

1) Name:.....

Address:

Having Email id..... Signature or failing him/her

2) Name:.....

Address:

Having Email id..... Signature or failing him/her

3) Name:.....

Address:

Having Email id..... Signature or failing him/her

my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company to be held on Friday, 26th August, 2016 at 10.00 Hrs. (IST) at Shri Krishnaraja Parishanmandira, **Kannada Sahithya Parishat**, Pampa Mahakavi Road, Chamarajpet, Bangalore-560018 and at any adjournment thereof in respect of such resolutions as are indicated below.

Sl. No.	Subject matter of resolutions
1	Adoption of the annual accounts and reports thereon for the financial year ended as on 31 st March, 2016.
2	Declare dividend for the financial year 2015-16
3	Re-appointment of Mr. Laxminarayan Moondra who retires by rotation
4	Re-Appointment of Mrs. Jyoti Mundra who retires by rotation
5	Appointment of Statutory auditors
6	Extension of time limit for non-promoters to convert equity share warrants/convertible securities into fully paid up equity shares

Signed this _____ day of _____ 2016

Affix
Revenue
Stamp
Signature

Notes:

1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the for, against or obtained column blank against any or all resolution, your proxy will be entitled to vote in the manner as he /she may deem appropriate.
3. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting right, than such proxy shall not act as a proxy for any other person or Member.
A Proxy need not be a member of the Company.

Signature of the Shareholder

**‘Green Initiative’ – A Corporate Governance Measure
Service of Documents through e-mode**

Dear Shareholder(s)

The Ministry of Corporate Affairs (MCA) has taken up “Green Initiative Measure” as part of Corporate Governance by allowing paperless compliance by Companies vide Circular No. 17/2011 dated 21/4/2011 stating that the Company would have complied with Section 20 of the Companies Act, 2013, if service of documents are made through electronic mode. In such case, the Company is required to obtain e-mail addresses of its Member(s) for sending Notices/Documents/Financial Reports through e-mail by giving an advance opportunity to every Shareholder to register his/her e-mail address and changes thereon, if any, from time to time.

To take part in the same, we propose to send documents like Notice convening the General Meetings, Financial Statements, Annual Reports etc. in electronic form to the e-mail address of the Members available/registered with the Company.

As you are one of the Shareholder(s), you are requested to participate in this ‘Green Initiative’, by providing your e-mail address and other details mentioned herein below:

Name of the Company	Natural Capsules Limited
Name of the Shareholder(s)	
Folio (If shares are held in physical form)	
E-mail address to which Documents/Notices can be served electronically(Only for shareholders holding shares in physical form).	
PAN Card (Copy/scanned document to be attached)	

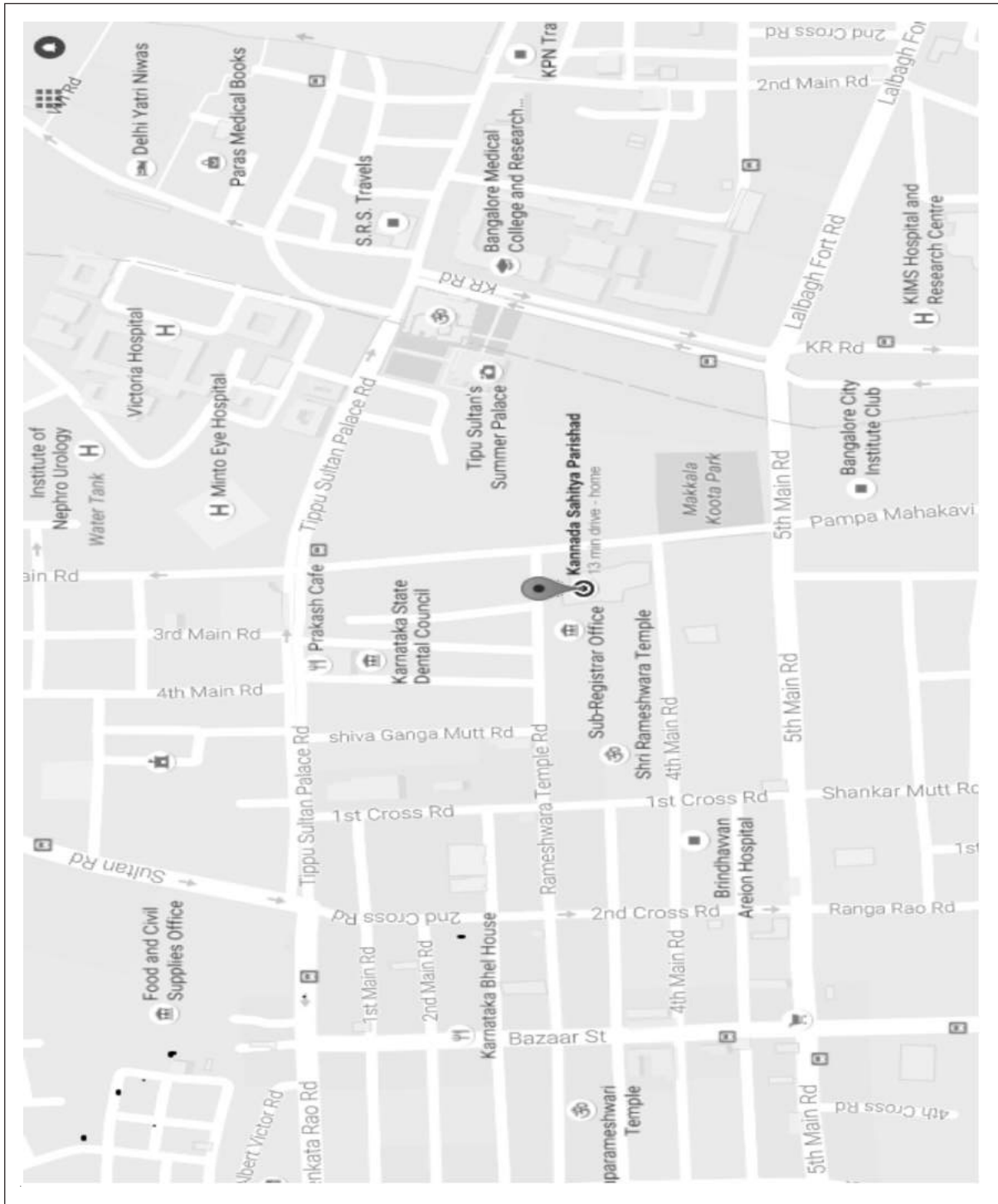
Signature of the Shareholder(s)

The above information duly filled to be sent to:

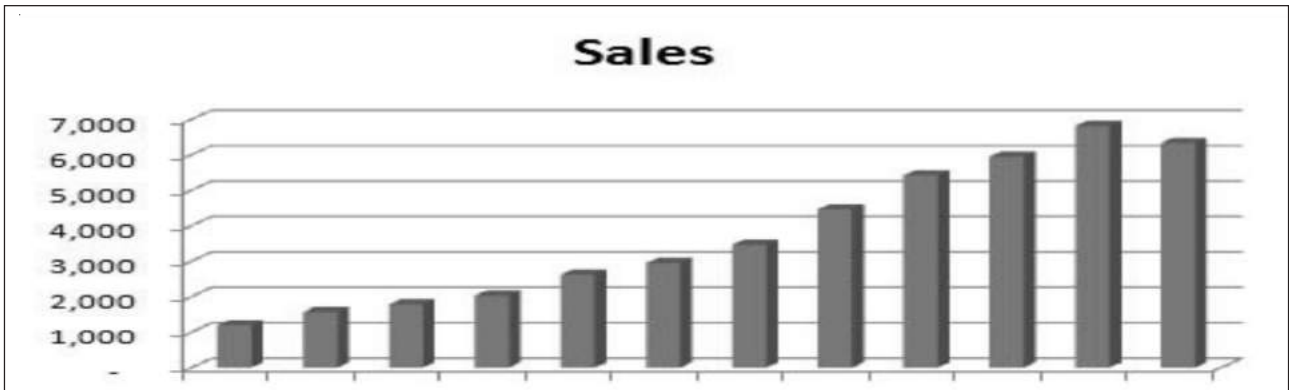
Cameo Corporate Services Limited
Subramanian Building,
No.1, Club House Road,
Chennai – 600 002.
Tel : 91-044-28460390(5 lines)
Fax : 91-044-28460129
Grams : CAMEO , E-mail : cameo@cameoindia.com
Contact person : Mrs. Kanthimathi Jayakumar (Executive shares)

**The Shareholder(s) holding shares in electronic form are requested
to update their e-mail id’s with the Depository Participant,
where de-mat accounts are held.**

Route Map for Venue



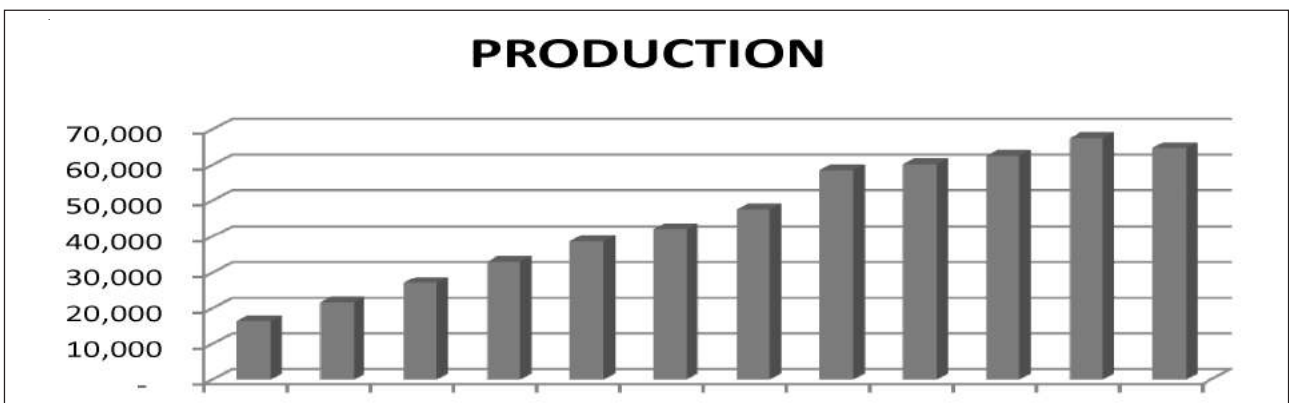
TWENTY THIRD ANNUAL REPORT 2015-2016



	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Sales	1,189	1,560	1,783	2,023	2,612	2,949	3,455	4,459	5,419	5,942	6,812	6,329



	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
PROFIT AFTER TAX	146	239	246	259	397	427	447	507	633	456	565	434



	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
PROD - UCTION	16,454	21,609	26,986	32,950	38,633	42,096	47,507	58,527	60,183	62,467	67,542	64,692

NATURAL CAPSULES LIMITED

Regd. Office : 102 "Shreshta Bhumi", #87, K.R.Road, Bangalore 560004

CIN# L85110KA1993PLC014742

Phone: 080-26671571, 26671581, Website : www.naturalcapsules.com

BALLOT FORM (In lieu of Remote e-voting at the AGM)

1. Name and Registered address of the sole/first named shareholder :
(in block letters)
2. Name of the joint holder (s),if any :
3. Registered Folio No./DP ID No.* & Client ID No.* :
(* Applicable to investors holding shares in dematerialized form)
4. Number of equity share(s) held :
5. I/We hereby exercise my/our vote(s) in respect of the following resolutions to be passed at the 23rd Annual General Meeting of the Company to be held on Friday, August 26, 2016, for the business stated in the Notice dated July 30, 2016 by sending my/our assent or dissent to the said resolutions by placing the tick () mark at the appropriate box below.

Item No.	Description of Resolution	No. of Shares	(FOR) the I/We assent to Resolution	(AGAINST) I/We dissent the Resolution
	Ordinary Business			
1	To receive, consider and AdoptThe Audited Financial State ments of the company for the financial year ended March 31, 2016, together with the Reports of the Board of Direc tors and the Auditors thereon			
2	To declare a final dividend on equity shares for the finan- cial year 2015-16.			
3	To Appoint a Director in place of Mr. Laxminarayan Moondra (DIN 00214298) who retires by rotation and being eligible offers himself for re-appointment			
4	To appoint a director in place of Mrs. Jyoti Mundra (DIN 07143035), who retires by rotation and, being eligible, of fers herself for re-appointment.			
5	To ratify the appointment of Auditors			
	Special Business			
6.	Extension of time limit for non-promoters to convert equity share warrants/convertible securities into fully paid up equity shares from 12 months to 18 months.			

Place:

Date:

(Signature of the Shareholders)

Note: Please read the Instructions given overleaf carefully before exercising your vote.

TWENTY THIRD ANNUAL REPORT 2015-2016

E-voting facility particulars (to be retained with the shareholder)

EVSN (e-Voting sequence number)	Electronic Voting Particulars User ID
150708008	(1) If you are already registered with CDSL on e-voting system, please use your existing User ID & Password (2) If you are first time user follow the steps given in Note No. 7 to the Postal Ballot notice dated (3) If PAN is not Registered with the Company/Depository use sequence no.:

INSTRUCTIONS

1. This Ballot Form is provided for the benefit of Members who do not have access to e-voting facility.
2. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot Form shall be treated as invalid.
3. For detailed instructions on E-voting, please refer to the notes appended to the notice of the meeting.

Process and manner for Members opting to vote by using the Ballot Form:

1. Please complete and sign the Ballot Form (no other form or photo copy thereof is permitted) and send it so as to reach the Scrutiniser, Mr. Vijay Raj Pitaliya, Practicing chartered accountant, at the self addressed envelope enclosed with the form.
2. The Form should be signed by the Member as per the specimen signature registered with the Company/Depository. In case of Joint holding, the Form should be completed and signed by the first named member and in his/her absence, by the next name joint holder. A power of Attorney (PoA) holder may vote on behalf of a Member, Mentioning the registration number of the PoA registered with the company or enclosing an attested copy of the PoA. Exercise of vote by ballot is not permitted through proxy.
3. In case the shares are held by companies, trusts, societies, etc. the duly completed Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution/Authorisation.
4. Votes should be cast in case of each resolution, either in favour or against by putting the tick (✓) mark in the column provided in the Ballot Form.
5. The voting rights of the members shall be in proportion to the paid up value of their shares in the equity share capital of the Company as on August 19, 2016.
6. Duly completed Ballot form should reach the Scrutiniser not later than Wednesday, 25th August 2016 (5 p.m IST). Ballot form should reach the scrutiniser not later than the date and time specified in serial no. 6 above.
7. A Member may request for a duplicate Ballot Form, if so required. However, duly filled in and signed duplicate form should reach the Scrutiniser not later than the date and time specified in serial no.6 above.
8. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms will be rejected. A Ballot Form will also be rejected if it is received in torn, defaced or mutilated to an extent which makes it difficult for the scrutiniser to identify either the Member or as to whether the votes are in favour or against or if the signature cannot be verified.
9. The decision of the scrutiniser on the validity of the Ballot will be final.
10. The results declared, shall be placed on the company's website www.naturalcapsules.com and on the website of the Central Depository Services (India) Limited within two days of passing the resolutions at the AGM of the company on August 26, 2016, and communicated to the BSE Limited, where the shares of the Company are listed.

NATURAL CAPSULES LIMITED

NATURAL CAPSULES LIMITED

Regd. Office: 102, "SHRESHTA BHUMU", #87, K.R.Road, Bangalore – 560004

ATTENDANCE SLIP

23rd Annual General Meeting – August 26, 2016.

I hereby record my presence at the TWENTY THIRD ANNUAL GENERAL MEETING of the Company held at Shri Krishnaraja Parishanmandira, Kannada Sahithya Parishat, Pampa Mahakavi Road, Chamarajpet, Bangalore-560018, Karnataka, on Friday, 26th August, 2016 at 10.00 a.m. IST

Full Name of the Member (in BLOCK LETTERS) _____

Regd. Folio No. _____ No. of Shares held _____

DP ID No. _____ Client ID No. _____

Full name of the Proxy (in BLOCK LETTERS) _____

Member's / Proxy's Signature _____

I certify that I am a member / proxy / authorised representative for the member of the company.

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.