

NOTICE

To,

The Members,

NOTICE is hereby given that the **17th Annual General Meeting** of Nuway Organic Naturals (India) Ltd. will be held on Saturday, the 8th December, 2012 at 10.00 A.M. at Eagle Motel, Rajpura Town, District: Patiala, Punjab - 140 401 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2012, and Profit & Loss Account of the Company for the year ended 31st March, 2012 and the Reports of the Directors' and Auditor's thereon.
2. To appoint a Director in place of Mrs. Daisy Singh, who retires by rotation, and being eligible, offers herself for re-appointment.
3. To appoint a director in place of Mrs. Rosy Arora, who retires by rotation, and being eligible, offers herself for reappointment.
4. To appoint M/S Shanti Prashad & Co., (having Firm Registration No. 019923N) Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By order of the Board

For NUWAY ORGANIC NATURALS (INDIA) LTD

Place : Delhi

Date : 10/11/2012

Sd/-

Manminder Singh Narang

Chairman & Managing Director

NOTES:

1. ***A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.***
A BLANK PROXY FORM IS ENCLOSED.
2. ***MEMBERS/PROXIES SHOULD BRING THE ATTENDANCE SLIP DULY FILLED IN FOR ATTENDING THE MEETING.***
3. The Register of Members and Share Transfer Book of the Company will remain closed from 07th December, 2012 to 8th December 2012 (both days inclusive).
4. Members desirous of any information concerning the accounts and operations of the Company are requested to send their queries to the Company at least one week before the meeting, so as, to enable the management to keep information ready. Replies will be provided only at the meeting.
5. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company between 11.00 A.M. to 1.00 P.M. on all working days except Sundays and other holidays upto the date of the Annual General Meeting.

By order of the Board

For NUWAY ORGANIC NATURALS (INDIA) LTD

Place : Delhi

Date : 10/11/2012

Sd/-

Manminder Singh Narang

Chairman & Managing Director

DIRECTORS' REPORT

To,
The Members,
NUWAY ORGANIC NATURALS INDIA LTD

Your Directors have pleasure in presenting the 17th Annual Report along with the Audited Statement of Accounts of the company for the financial year ended 31st March, 2012.

FINANCIAL HIGHLIGHTS

	2011-12	2010-11
Total Income	472191004.92	96896377.77
Less Expenses	518250894.64	94101624.87
Profit/(Loss) before tax and extraordinary items	(46059889.72)	2794752.90
Extraordinary items	45000000	—
Profit/(Loss) before tax but after extraordinary items	(1059889.72)	2794752.90
Provision for Income Tax	—	800000
Profit/(Loss) after tax	(26019889.72)	712622.90
Net Profit	(26019889.72)	712622.90

DIVIDEND

In order to strengthen the financial position of the company, your directors are of the opinion that the profit is to be ploughed back in the working of the company. Therefore, no dividend is proposed for the year under review.

PERFORMANCE

The company has incurred a Loss of Rs.260.19 Lacs against the profit of Rs. 7.12 Lacs in the previous year.

FUTURE OUTLOOK

Your Company's distillery project at Rajpura which started last year is increasing production gradually and hopeful of garnering significant market share in coming years. Your company is doing reasonably well in other areas of cosmetic and portable water trading. It is expected that the vodka manufacturing plant will be commissioned in another 4-5 months. Therefore, your management expects a better financial performance in the times to come.

MATERIAL CHANGES

During the Year, Management have taken up various agenda such as Shifting of Registered office to Rajpura, forfeiture of Shares, Private placement of Shares, Extension of AGM for which all the requisite approvals from authorities and members was duly received.

Further, Management in their meeting dated 22nd September, 2012 considered and approved the preferential allotment of Equity Shares to the Promoter and Non promoter Group of the Company u/s 81(1A) of the companies Act, 1956. The proceeds of the issue are proposed to be utilized to company's long term working capital requirements and other general corporate. The aforesaid matter was duly approved and passed by shareholder's Meeting as a Special Resolution in Extra Ordinary General Meeting(EGM) held on 26th October, 2012.

PUBLIC DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 read with (Acceptance of Deposits) Rules, 1975.

AUDIT COMMITTEE

Presently the Audit Committee comprises of two non-executive independent directors viz. Mr. Ashok Kumar as Chairman and Mrs. Ginny Singh and one non executive director Mrs. Daisy Singh as Members and Five meetings of the audit committee were held during the year.

The audit committee has met and reviewed the financial statements for the financial year ended 31.03.2012 and has not given any adverse observations. It has also recommended the re-appointment of M/s. Shanti

Prashad & Co., Chartered Accountants, as Statutory Auditors of the company.

AUDITORS' REPORT

Auditor report is annexed to the balance sheet attached in this annual report. There is no adverse qualification in the Auditors' Report, which needs to be clarified.

AUDITORS

M/s. Shanti Prashad & Co., Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting. The Company has received letter from them to the effect that their appointment, if made, would be within the limits prescribed U/s 224(1B) of the Companies Act, 1956. M/s. Shanti Prashad & Co., Chartered Accountants, are required to be reappointed as Statutory Auditors of the Company at the ensuing Annual General Meeting. Their appointment has also been recommended by the Audit Committee.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mrs. Daisy Singh and Mrs. Rosy Arora retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Brief resume of the directors to be appointed at the forthcoming Annual General Meeting, nature of their expertise in specific functional areas and names of Companies in which they hold directorships and the membership / chairmanship of committees, of the Board as stipulated under Clause 49 of the Listing Agreement with the stock exchanges, is given in the section of corporate governance in the Annual Report.

All the directors of the Company have confirmed that they are not disqualified for being appointed/ reappointed as directors in term of Section 274(1)(g) of the Companies Act, 1956.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Provisions of Section 217(2AA) of the Companies Act, 1956 the Directors confirm:

- i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) that 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 and of the profit or loss of the Company for that period;
- iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) that the directors had prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement with Stock Exchange(s), a separate report on corporate governance along with certificate from Statutory Auditor regarding compliance with conditions of corporate governance forms a part of Annual Report.

MANAGEMENT DISCUSSION AND ANYLYSIS

As per Clause 49 of the Listing Agreement with Stock Exchange(s), a Management Discussion and Analysis is appended to the Annual Report.

PARTICULARS OF EMPLOYEES

There was no employee receiving remuneration during the year in excess of limits prescribed u/s 217 (2A) of the Companies Act, 1956, read with the Companies (Particular of employees) Rules, 1975.

CONSERVATION OF ENERGY TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Information pursuant to Section 217(1)(e) of the Companies Act 1956 read with Companies (Disclosures of Particulars in the Report of Board of directors) Rules, 1988, is as follows:

CONSERVATION OF ENERGY

Your company continues to pay significant attention towards the conservation of energy and all necessary measures have been taken to optimize the use of electricity. Pursuant to the provisions of Section 217(1)(e) and Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the information on Conservation of Energy and Technology Absorption is not applicable to the company. Therefore, the information as required to be given in Form A may please be treated as nil.

RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

Continuous efforts to bring in operational effectiveness and product up gradation through R&D activities are being made.

FOREIGN EXCHANGE EARNING AND OUTGO: (RS. IN LAC)

PARTICULARS	Year Ended 31.03.12	Year Ended 31.03.11
Foreign Exchange Earning	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

EMPLOYEES RELATIONS

Your directors wish to place on record the appreciation for the dedicated services rendered by the workers, staff and executives of the Company at all levels who have contributed to the efficient and successful management of the Company.

LISTING

Presently the Company's equity shares are listed at the following Stock Exchanges:

1. Bombay Stock Exchange Ltd. (BSE)
2. The Delhi Stock Exchange Association Ltd.

Further, listing fee for the financial year 2012-13 has been paid to BSE and The Delhi Stock Exchange Association Ltd.

ACKNOWLEDGEMENT

Your directors take this opportunity to offer their sincere thanks to various departments of the Central and State Governments, Banks and Investors for their unstinted support, assistance and valuable guidance.

Place : Delhi
Date : 10/11/2012

By order of the Board
For NUWAY ORGANIC NATURALS (INDIA) LTD

Sd/-
Manminder Singh Narang
Chairman & Managing Director

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Industrial Scene:

Presently your company is functioning in three segments, viz manufacturing of Cosmetics products, liquors and Mineral water, trading of cosmetics and liquors(Country & IMFL) and Mineral water trading of bottled soda and potable water.

The FMCG sector in India is at present, the fourth largest. Rural and Semi-Urban Segments, which in totality is projected to grow at an CAGR (Compound Annual Growth Rate) of 10% to carry forward its market size to over Rs.1,06,300 Crore from present level of Rs. 87,900 Crore, according to an analysis carried out by the Associated Chambers of Commerce and Industry of India (ASSOCHAM).

The growing penchant and insatiable appetite of rural and semi-urban folks for FMCG products will mainly be responsible for this development as their manufacturers will have to deepen their concentration for higher sales volumes in such niche areas.

Despite some of the negative aspects attributed to the Liquor Industry, there are many positive ones associated with the industry. In the past decade (2000-2010) there has been an upheaval of sorts for the industry. Although the government instills many an impediment to act as a deterrent for the growth, the alcohol industry is very important for the government. The industry is said to be estimated at Rs.55, 000 crores at retail value and generates revenues to the tune of Rs.30, 000 crores in spite of the fact that the per capita consumption of liquor in India is the lowest in the world. IMFL accounts for only a third of the total liquor consumption in India. Most IMFLs are cheap and 85 per cent of the brands are priced below Rs. 200 per bottle. India is the fastest growing alcoholic beverage market in the world and is set to reach "One Billion cases mark by year 2015". The Indian alcoholic beverages industry is expected to witness accelerating growth in coming years with the consumer base likely to expand fast. The domestic alcoholic drinks market has been growing at an astounding rate in the past few years. The growth rate is higher than other major Asian markets like China and South Korea.

The categories of bottled water in India are Packaged Natural Mineral Water and Packaged Drinking Water. Bottled water industry, colloquially called, the mineral water industry, is a symbol of new life style emerging in India. The packaged drinking water in India, which is estimated at Rs.850 crores with over 200 brands floating in the market, most of which have restricted territorial distribution. This is a growing market in India as quality consciousness among the consumers is on the rise. The bottled water market is growing at a rapid rate of around 20%.At this growth rate, the Rs 7000million per year market is estimated to overtake the soft drinks market soon. Multinationals, Coca-Cola, Pepsi, Nestle and others are trying to grab a significant share of the market. There are more than 180 brands in the unorganized sector. The small players account for nearly 19% of the total market. The per capita consumption of bottled water in India is less than half a litre per year, compared to 111 litres in France and 45 litres in the US. These points to the future potential beyond the high growth.

Financial Outlook

It is expected that the vodka manufacturing plant will be commissioned in another 4-5 months. Therefore, your management expects a better financial performance in the times to come.

Segment wise performance:

Segment wise performance is given in Note 40 of the Balance sheet as at 31/03/2012.

Opportunities:

India is one of the world's largest producers of FMCG goods but its exports are miniscule as compared to production. Though Indian Cos. has been going global, their focus is more towards Asian countries because

of the similar preferences. An expansion of horizons towards more and more countries would help the Company grow its consumer base and henceforth the revenues.

Threats:

The top five FMCG companies constitute nearly 70% of the total revenues generated by this sector. Multinational FMCG companies like Hindustan Unilever, ITC, Nestle, Procter & Gamble and GlaxoSmithKline Consumer Healthcare traditionally comprise the first category of FMCG companies. But the biggest worry for national players is the emergence of private labels, i.e. the in-house brands of retail companies. As retailers don't have to incur marketing costs on these in-house brands, they are cheaper than their branded counterparts

Company's Outlook

Your company has started with the commercial production of cosmetic products from the plant situated at Baddi, in Himanchal Pradesh. Further, it is expected plant for manufacturing of potato based vodka is in final stage of production. Therefore the management expects a better performance in the coming years.

Risks Management

The Risks Management policies of the Company ensures that all the moveable and immoveable assets of the Company are adequately covered. The same are reviewed by the Board from time to time. Besides the Company is prone to usual risks of the business like change in demand, any change in export policy of the Government, International agreements on trade and tariffs etc.

Internal Control System

The Company has developed an internal control system and procedures to ensure efficient conduct of business and security of its assets. Management Information system has been developed through which production performance and financial dealings are monitored by management on regular basis.

Human Resources

The Company believes that the workers are the backbone of the Company. It is providing an opportunity to all the employees to utilise their full potential and grow in the organization. There was no strike or labour unrest during the last financial year. As on 31.03.2012 the total number of regular employees was around 200.

Report on Corporate Governance

1. Company's Philosophy on Corporate Governance

The Corporate Governance is about commitment to business values. Corporate Governance comprised of laws, rules, regulations affecting the manner in which the business of the company is conducted. Good Corporate Governance practices helps in achieving long term Corporate Goal of enhancing Stakeholders' value. Your Company strongly believes in Corporate Governance and endeavors to continually take initiatives to strengthen areas of corporate Governance.

2. Board of Directors

The Company has an Executive Chairman; the Board's composition meets the stipulated requirement of at least half of the Board comprising of independent Directors who have no material business relationship with the Company.

Details of Name, Composition, and Attendance record of directors for the year ended 31.03.2012 and the number of Directorship and Committee Chairmanship/ Membership by them in other companies are as follows:

Name	Category	Designation	No. of Meetings Held during the last fin.Year	No. of Meetings Attended	No. of Membership in Boards of Other Companies	Attendance of each Director at last AGM
Mr. Manminder Singh Narang	Promoter Executive Director	Chairman Cum Managing Director	17	17	7	Yes
Mr. Ashok Kumar	Non Promoter Non Executive Independent Director	Director	17	17	NIL	Yes
Mrs. Rosy Arora	Non Promoter Non Executive Independent Director	Director	17	17	5	Yes
Mrs. Anchal Narang	Promoter Non executive Director	Director	17	17	4	Yes
Mrs. Ginny Singh	Non Promoter Non Executive Independent Director	Director	17	17	2	No
Mrs. Daisy Singh	Promoter Non Executive	Director	17	5	1	No

3. Board Meetings

During the financial year 2011-11, 17 meetings of Board of Directors were held. These were held on 11.04.2011, 14.05.2011, 15.05.2011, 14.06.2011, 11.07.2011, 20.07.2011, 13.08.2011, 14.08.2011, 02.09.2011, 05.10.2011, 20.10.2011, 14.11.2011, 15.11.2011, 10.12.2011, 14.02.2012, 15.02.2012, & 26.03.2012. The intervening period between two meetings was well within the maximum time gap of 4 months as prescribed under Corporate Governance norms.

Board's Procedures

It has always been the Company's policy and practice that apart from matters requiring Board's approval by statute, all major decisions including quarterly results of the Company, financial restructuring, capital expenditure proposals, collaborations, material investment proposals in joint venture/promoted companies, sale and acquisition of material nature of assets, mortgages, guarantees, donations, etc. are regularly placed before the Board. This is in addition to information with regard to actual operations; major litigation feed back reports, information on senior level appointments just below the Board level and minutes of all Committee Meetings.

4. Committees of the Board

a) Audit Committee

As a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling the Board's oversight responsibilities, an Audit Committee has been constituted by the Board comprising three Directors, all being Non-Executive with majority of them being independent. The Chairman of the Audit Committee is an independent Director. The Company Secretary acts as the Secretary to the Audit Committee.

The constitution of the Audit Committee also meets with the requirements under section 292A of the Companies Act, 1956. The terms of reference and powers of the Audit Committee are in keeping with those contained under Clause 49 of the Listing Agreement and the Act.

The Audit Committee specifically reviews:

- Management discussion and analysis of financial conditions and results of operations.
- Quarterly and Annual Financial Results.
- Annual budget and variance Reports.
- Significant related party transactions.
- Internal Audit Reports/ Cost Audit Report including letters on internal control weaknesses, if any, issued by Statutory/Internal Auditors.
- Recommendation for appointment of Statutory and Cost Auditors.
- Appointment and remuneration of Internal Auditors.

Five meetings of the Audit Committee were held during the year as against the requirement of minimum four meetings. The meetings were held on 14-05-2011, 13-08-2011, 02-09-2011, 14-11-2011 & 14-02-2012.

The details of constitution of the Committee and attendance at meetings are as under:

Name	Status	Designation	No. of Meetings held during the last fin. Year	No. of Meetings Attended
Mr. Ashok Kumar	Member/ Chairman	Non-Executive Independent Director	5	5
Mrs. Ginny Singh	Member	Non-Executive Independent Director	5	5
Mrs. Daisy Singh	Member	Non-Executive Promoter Director	5	5

The Chairman of the Audit Committee attends the Annual General Meeting to answer shareholders' queries, if any.

b) Remuneration Committee

As no appointment of director at remuneration is made there is no requirement of Remuneration Committee. The same shall be reconstituted as and when required.

Reconstitution of Remuneration Committee

As and when the need of Remuneration Committee will arise, the same will be re-constituted.

Meeting of Remuneration Committee

No matter relating to managerial remuneration was dealt with the Board. Therefore, no meeting of Remuneration Committee was held during this period.

Remuneration Policy

Subject to the approval of the Board of Directors and the subsequent approval by the shareholders at the General Body Meeting and such authorities as the case may be, remuneration of the Managing/Whole-time Directors is fixed by the Remuneration Committee. The remuneration is fixed considering various factors such as qualification, experience, expertise, prevailing remuneration in the competitive industries, financial position of the Company, etc. The remuneration structure comprises basic salary, commission,

perquisites and allowances, contribution to provident fund and other funds in accordance with various related provisions of the Companies Act, 1956. The remuneration policy for Whole-time Directors is directed towards regarding performance, based on review of achievements. The non-executive Directors have not drawn any remuneration from the Company.

Disclosure on Remuneration paid to Directors

a) Executive Directors

No Remuneration was paid for the year ended March 31st, 2012 to Managing Director.

b) Non Executive Director

No sitting fee was paid to directors for attending the board meetings.

c) Investors Grievance and Share Transfer Committee

The Committee has been constituted to specifically look into redressal of shareholders and investor grievances such as transfer of shares, dividend and dematerialisation related matters. Presently, the Committee comprising of all non-executive directors viz, Mr. Ashok Kumar, Mrs. Ginny Singh & Mrs. Daisy Singh. There is no complaint pending.

General Body Meeting

Details about Last 3 years Annual General Meetings and Extra Ordinary General Meeting:

S. No.	Date	Nature of Meeting	Venue	Time	Special Resolution (S.R.)
1	16.01.2009	EGM	24A, Najaf Garh Road, Shivaji Marg, Delhi-15	10.00 A.M.	No S.R.
2	30.09.2009	AGM	22, Pratap Colony, Model Gram, Ludhiana	10.00 A.M.	No S.R.
4	27.09.2010	AGM	22, Pratap Colony, Model Gram, Ludhiana-02	10.00 A.M.	No S.R.
5	28.02.2011	EGM	22, Pratap Colony, Model Gram, Ludhiana-02	10.00 A.M.	No S.R.
6	30.09.2011	AGM	22, Pratap Colony, Model Gram, Ludhiana-02	10.00 A.M.	SR u/s 269 & 316 of Companies Act, 1956 was passed.

**Special Resolutions was duly passed.

* A resolution for Shifting of Registered office from Ludhiana to Rajpura was passed through Postal Ballot during the year under review.

* In an EGM, duly held dated 26th October, 2012 preferential allotment of Equity Shares was made to the Promoter and Non promoter Group of the Company u/s 81(1A) of the companies Act, 1956. The proceeds of the issue are proposed to be utilized to company's long term working capital requirements and other general corporate.

Disclosures

- There are no materially significant related party transactions i.e. transactions material in nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. having potential conflict with the interest of the company at large. Details on materially significant related party transactions are shown in note no. 12 of schedule XII of the Balance Sheet as at 31/03/2012.
- There has been no non compliance by the Company nor were any penalties or restrictions imposed on the Company by Stock Exchanges, SEBI or any other statutory authority on any matter related to capital markets during the last three years.
- Presently, the Company does not have a Whistle Blower Policy However, no personnel of the Company has been denied access to the Audit Committee.
- The Company has complied with all the mandatory requirements of Clause 49. As regard the non-mandatory requirements, Company tries to implement them to the extent possible.

Subsidiary Companies

The Company did not have any material non-listed Indian Subsidiary during 2011-12.

Risk Management Policy

The Company manages risks as an integral part of its decision making process. The Audit Committee and the Board of Directors are regularly apprised key risk assessment and risk mitigation mechanisms.

Code of Conduct

The Board of Director has laid down a Code of Conduct for all Board members and senior management personnel of the Company All Board Members and Senior Management Personnel have affirmed compliance with the Code on annual basis and the CEO Certificate to the Board of Directors contains a declaration to this effect.

Means of Communication

The Quarterly Financial Results of the Company were got published as per details.

General Shareholders Information

- a) Annual General Meeting : 17th Annual General Meeting
 Date : 8th December, 2011
 Day : Saturday
 Time : 10.00 A.M.
 Place : Eagle Motel, Rajpura Town, District: Patiala, Punjab-140 401
 Financial Year : 1st April, 2011 to 31st March, 2012

b) Financial Calendar

Tentative calendar of events for the financial year 2012-13 (April to March) is as under:

Adoption of Quarterly Financial Results for:

First Quarter- by 15 th August 2011	Third Quarter- by 15 th February 2012
Second Quarter- by 15 th November 2011	Fourth Quarter- April/May 2012

c) Book Closure

Book closure is from 7th December, 2012 to 8th December, 2012 (both days inclusive) for the purpose of Annual General Meeting.

- d) The Board of Directors has not proposed any dividend for the current financial year.

e) Listing at Stock Exchanges

Stock Exchange	Scrip Code
Bombay Stock Exchange Ltd., Mumbai	531819
The Delhi Stock Exchange Association Ltd	13301

Listing fee for the year 2012-13 has been paid to BSE & DSE

Market Price Data

During the period suspension of trading in the company's scrip was revoked. Price of the Scrip as on 11-09-12 is Rs. 12.00

Shareholders Complaints

No Complaint is pending at the end of financial year 2011-12.