

NUWAY ORGANIC NATURALS INDIA LTD.

18th

Annual Report
2012-2013



BOARD OF DIRECTORS

Mr. Manminder Singh Narang	Chairman & Managing Director
Mrs. Ginny Singh	Director
Mrs. Rosy Arora	Director
Mrs. Anchal Narang	Director

AUDITORS

M/s. Shanti Prashad & Co.
M-96, Connaught Place
New Delhi - 110001

REGISTERED OFFICE

House No. 6, Dashmesh Colony,
ITI Road, Opposite: SOS Village,
Rajpura Town, District: Patiala,
Punjab - 140 401.

REGISTRAR AND SHARE TRANSFER AGENT

BEETAL Financial & Computer Services (P) Limited
99 Madangir, Behind Local Shopping
Centre, Near Dada Harsukhdas Mandir,
New Delhi - 110062

18TH ANNUAL GENERAL MEETING

Day : Thursday
Date : 19th September, 2013
Time : 12.00 P.M.
Place : Eagle Motel, Rajpura
Town, District: Patiala,
Punjab - 140 401

CONTENTS PAGE NO.

Notice	1
Directors' Report	2
Management Discussion & Analysis Report	8
Report on Corporate Governance	9
Auditors' Report	17
Balance Sheet	20
Statement of Profit & Loss	21
Cash Flow Statement	22
Notes	23

NOTICE

To,

The Members,

Notice is hereby given that the **18th Annual General Meeting** of the Company will be held at **Eagle Motel, Rajpura Town, District Patiala, Punjab- 140401** on Thursday, **the 19th September, 2013**, at 12.00 noon to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2013, and Profit & Loss Account of the Company for the year ended 31st March, 2013 and the Reports of the Directors' and Auditor's thereon.
2. To appoint a Director in place of Mrs. Ginny Singh, who retires by rotation, and being eligible, offers herself for re-appointment.
3. To appoint M/s. Shanti Prashad & Co., Chartered Accountants, bearing FRN. 019923N, 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 : 24/08/2013

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 17th September, 2013 to 19th September, 2013 (both days inclusive).
4. As a measure of economy, copies of the Annual Report and accounts will not be distributed at the Meeting. Members are therefore, requested to bring their copies to the meeting.
5. Members are requested to produce the attendance slip duly signed, sent along with the annual report and accounts, for admission to the meeting hall.
6. Members who are holding share in identical order or names in more than one folio are requested to write to the Company to enable the company to consolidate their holding in one folio.
7. Any member requiring further information on accounts at the meeting is requested to send their queries in writing to the Managing Director of the Company at least seven days before the AGM.
8. Shareholders may kindly note that no gifts/coupons will be distributed at the Annual General Meeting.
9. All the documents referred to in the accompanying notice, explanatory statement and the register of Directors shareholding and the register of Contracts maintained under section 307 and 301 of the Companies act, 1956 respectively are open for inspection at the Registered Office of the Company during office hours on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.
10. All members are requested to make their correspondence relating to the shares in physical and demat to our Share Transfer Agent i.e. BEETAL Financial & Computer Services (P) Limited 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062.

By order of the Board

For NUWAY ORGANIC NATURALS (INDIA) LTD

Place : Delhi

Date : 24/08/2013

Sd/-

Manminder Singh Narang

Chairman & Managing Director

DIRECTORS' REPORT

To,
The Members,
NUWAY ORGANIC NATURALS INDIA LTD

Your Directors have pleasure in presenting the 18th Annual Report along with the Audited Statement of Accounts of the Company for the Financial Year ended 31st March, 2013.

FINANCIAL HIGHLIGHTS

Figures (In Rs.)

	2012-13	2011-12
Total Income	599,528,603.97	472191004.92
Less Expenses	693,072,401.27	518250894.64
Profit/(Loss) before tax and extraordinary items	(93,543,797.30)	(46059889.72)
Extraordinary items	47,817,640.48	45000000.00
Profit/(Loss) before tax but after extraordinary items	(45,726,156.82)	(1059889.72)
Provision for Income Tax	(2,333,966.00)	—
Profit/(Loss) after tax	(43,392,190.82)	(26019889.72)
Net Profit	(43,392,190.82)	(26019889.72)

CORPORATE OVERVIEW

During the year turnover of the company rose from 47.21 Cr to Rs.59.95 Cr. Current year was the full year of production of Distillery Plant situated at Rajpura where the production of Rum, Vodka, Country liquor is done for sale in Punjab & other Territories. During the current year sales of company's liquor products was also explored in the other territories like Delhi & Himachal Pradesh (HP) beside Punjab. Sale of Cosmetic products & Mineral water was also increased marginally. Your management is confident of increasing turnover of its products in forthcoming year & turn around the company.

DIVIDEND

Since Company has incurred losses during the financial year, Board of Directors has not recommended the payment of any dividend for the current year.

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 Board of Directors anticipates a better future in the years to come and has been putting in best of its efforts to bring the Company into operation to achieve the positive performance. Though there are tough challenges ahead, your Board is very confident that the better future with positive results is soon to come.

MATERIAL CHANGES

There was no material change affecting the financial position of the Company between the date of balance sheet and the date of this report. Mr. Ashok Kumar has resigned from the directorship with effect from 5/06/2013.

Further, the listing approval of the preferential allotment as duly approved and passed by the shareholders through special resolution in their extra-ordinary general meeting held on 26th October, 2012, has been taken from Bombay Stock Exchange (BSE). Listing approval is obtained from BSE, however, the trading approval is pending with BSE.

PUBLIC DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956, and the rules made there under.

AUDITORS' REPORT

Auditors Report is annexed to the Balance Sheet attached in this Annual Report and 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. Ginny Singh retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Mr. Ashok Kumar resigned from the board of the Company w.e.f. 05.06.2013. Your directors would like to place on record his appreciation for the valuable contribution tendered by him during his tenure as director.

Brief resume of the director to be appointed or re-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 in written, that they are not disqualified for being appointed / re-appointed as Director in terms 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 in compliance with conditions of corporate governance forms a part of Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

As per clause 49 of the Listing Agreement with Stock-Exchange (s), a Management Discussion & 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 (Particulars of Employees) Rules, 1975 as amended in 2011.

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 31.03.13	Year Ended 31.03.12
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 2013-14 has been paid to BSE.

ACKNOWLEDGEMENT

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

Place : Delhi
Date : 24/08/2013

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

Sd/-
Manminder Singh Narang
Chairman & Managing Director

COMPLIANCE CERTIFICATE

CIN	:	L22012PB1995PLC016755
Authorized Capital	:	Rs. 2,00,000,000
Paid up Capital	:	Rs. 160,850,000

To,
The Members,
NUWAY ORGANIC NATURALS INDIA LIMITED,
House No. 6, Dashmesh Colony,
ITI Road, Opposite:SOS Village,
Rajpura, Punjab-140401.

We have examined the registers, records, books and papers of Nuway Organic Naturals India Limited maintained under the Companies Act, 1956 and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on 31st March, 2013. In our opinion and to the best of our information and according to the examination carried out by us and the explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained registers as stated in **Annexure 'A'** to this Certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in **Annexure 'B'** to this certificate with the Registrar of Companies/Regional Director/Central Government/CLB or other authorities as required under the Act and the rules made there under.
3. The Company, being a public limited company, comments are not required, as applicable to Private companies, in respect of number of members, deposits etc.
4. The Board of Directors duly met 9 (Nine) times 14.05.2012, 30.05.2012, 17.07.2012, 10.08.2012, 27.08.2012, 31.08.2012, 22.09.2012, 10.11.2012, 15.02.2013 in respect of which proper notices were given and the proceedings were properly recorded and signed in the minutes book maintained for the purpose.
5. The Company has closed its Register of Members and Register of Share Transfer from 7th December, 2012 to 8th December, 2012 (both days inclusive) for the purpose of Annual General Meeting held on December 8th, 2012.
6. The Annual General Meeting for the financial year ended on 31st March, 2012 was held on 8th December, 2012 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in minutes book maintained for the purpose.
7. One Extra-Ordinary General Meeting was held on 26.10.2012 during the financial year under Scrutiny.
8. The company has not advanced any loans to its Directors or persons or firms or companies referred to under section 295 of the Act.
9. The company has not entered into any contract falling within the purview of section 297 of the Act during the financial year.
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, hence the approval from the Board of Directors, Members or Central Government was not required under above section of the Act.
12. The company has not issued any duplicate Shares Certificate during the financial year.
13. The Company has:
 - (i) delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act. There was no allotment of securities during the financial year;
 - (ii) declared no dividend including interim dividend, hence no amount is required to be deposited in a separate bank a/c;
 - (iii) no liability to pay/post warrant for dividend to all the members within 30 days from the date of declaration as it has not declared any dividend that it has no unclaimed/unpaid dividend which are required to be transferred to Unpaid Dividend Account of the Company with its bank;

- (iv) no amount is outstanding in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon, which have remained unclaimed or unpaid for a period of 7 years, hence nothing is required to be transferred to Investor Education and Protection Fund;
- (iv) duly complied with the requirements of section 217 of the Act.
- 14. The Board of Directors of the company is duly constituted. There was no appointment of additional director & no appointment of alternate directors and directors to fill casual vacancy during the financial year. Mrs. Daisy Singh ceased to be as director of the Company w.e.f. 8th December, 2012, due to his non regularization under Section 257 of the Companies Act, 1956 on AGM date.
- 15. The company has not appointed any Managing Director/Whole-time Director/ Manager during the financial year.
- 16. The company has not appointed any Sole- Selling Agents during the financial year.
- 17. The Company has not obtained any approvals of the Central Government, CLB, Regional Director, however extension of AGM for the year ending 2011-12 has been obtained on 14/09/2012 from ROC under the various provisions of the Act.
- 18. The Directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act, and the Rules made thereunder.
- 19. The company has not issued any shares, debentures or other securities during the financial year.
- 20. The company has not bought back shares during the financial year.
- 21. The Company has not issued any preference shares or debentures hence the redemption clause is not applicable.
- 22. That there were no such instances where the company was required to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
- 23. The company has not invited or accepted any deposits including any unsecured loan falling within the purview of section 58A of the Act, during the financial year.
- 24. The amount borrowed by the company from Directors, members, financial institutions, banks and others during the financial year ended on 31st March, 2013 is within the provisions of section 293(1) (d) of the Act.
- 25. The company has not made any loans or Advances or given guarantees or provided Securities to other bodies corporate during the financial year and consequently no entries have been made in the Register kept for the purpose.
- 26. The company has not altered the provisions of the Memorandum with respect to change in situation of the Company's registered office from one state to another during the year under scrutiny.
- 27. The company has not altered the provisions of the Memorandum with respect to Object of the Company during the year under scrutiny and complied with the provisions of the act.
- 28. The company has not altered the provisions of the Memorandum with respect to Name of the company during the year under scrutiny.
- 29. The company has not altered the provisions of the Memorandum with respect to Authorized Share Capital of the company during the year under scrutiny.
- 30. The company has not altered its Articles of Association during the financial year.
- 31. There was no prosecution and penalty imposed on the company during the financial year ending 31.03.2013.
- 32. The company has not received any money as security from its employees during the financial year.
- 33. The Company has not constituted any Provident Fund under section 418 of the Act, hence the provisions of section 418 of the Act, are not applicable to the company.

Place : Ghaziabad

Date : 24/08/2013

for **NISHI TALWAR & ASSOCIATES**

Sd/-
Nishi Talwar
Practising Company Secretary
(CPNo.10529)

ANNEXURE 'A'

Statutory Registers as maintained by the Company

1. Register of Members u/s 150.
2. Minutes Book of Board meetings u/s 193.
3. Minutes Book of General Meeting's u/s 193.
4. Register of Directors u/s 303.
5. Register of Contracts, Firms and Companies in which Directors are interested u/s 301.
6. Register of Directors Shareholding u/s 307.
7. Register of Charge u/s 143.
8. Register of Transfer.

Annexure-B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the Financial Year ending on 31st March 2013.

S. No.	Form no./ Return	Filed Under Section	For	Date of Filing	Whether Filed Within Prescribed Time	If Delay in Filing Whether Requisite Additional Fee Paid Yes / No
1.	Form 18	146	Change of Registered Office	07/04/2012	Yes	No
2.	Form 25C	269	Return of appointment Managing Director	11/6/2012	Yes	No
3.	Form 23	192	Registration of Resolution	11/6/2012	Yes	No
4.	Form 23B	224 (1A)	Intimation of Appointment of Statutory Auditor	12/07/2012	Yes	No
5.	Form 20B (2011)	159	Annual Return for FY 31.03.2011	21/07/2012	No	Yes
6.	Form 23AC&ACA (XBRL)	210	Filing of Balance Sheet & P&L A/c for FY 31.03.2011	09/08/2012	No	Yes
7.	Form 23	192	Registration of Resolution	24/11/2012		
8.	Form 23D	233	Appointment of Cost Auditor	28/11/2012		
9.	Form 5	94(1A)	Increase in Authorized Capital	19/12/2012		
10.	Form 2		Return of Allotment	29/12/2012		
11.	Form 32	303(2)	Change in Directors	28/01/2013		
12.	Form 23 AC&ACA (XBRL)	210	Filing of Balance Sheet & P&L A/c for FY 31.03.2012	12/02/2013	Yes	No