

# **Annual Report 2012 - 2013**

## **WELLNESS NONI LIMITED**

Registered Office : 12, Rajiv Gandhi Road, Perungudi, Chennai - 600 096.

Phone : 91-44- 3257 6748 Fax : 91-44-4901 1149

E-mail : [mail@wellnessnoni.net](mailto:mail@wellnessnoni.net) Visit : [www.wellnessnoni.net](http://www.wellnessnoni.net)

**BOARD OF DIRECTORS**

Dr. P. I. Peter	- Director
Mrs. Kala	- Director
Mrs. M. Deviprabha	- Director
Mr. M. Siva Kumar	- Director
Mr. A. Arunachalam	- Director
Mr. T. Thanigai Kumar	- Director
Mr. S. Sridhar	- Director

**Statutory Auditors :**

B. Balasubramaian  
Chartered Accountants  
52-North Mada Street,  
First Floor, Nungambakkam,  
Chennai - 600 034.

**Bankers :**

Canara Bank  
Adyar, Chennai 600 020

State Bank of India,  
Adyar Branch, Chennai 600 020

**Registrar and Transfer Agents**

**M/s.CAMEO CORPORATE SERVICES LTD**

'Subramanian Building',  
No.1, Club House Road, Chennai-600 002.  
Phone: (D) 2846 0425 (G) 2846 0390, Fax: 044-2846 0129  
Grams: CAMEO  
E-mail:rdr@cameoindia.com;Website:www.cameoindia.comil:

## **WELLNESS NONI LIMITED**

Registered Office: No.12, Rajiv Gandhi Road, Perungudi, Chennai - 600096

### **NOTICE TO SHAREHOLDERS**

NOTICE is hereby given that the Twenty First Annual General Meeting of the Shareholders of M/s. Wellness Noni Limited will be held on Thursday, the 5th September 2013, at "Life Success Academy," No 4, Elite Plaza, E Road, Koyambedu, Chennai 600 107 at 11.30 A.M. to transact the following business:

#### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the Directors' Report, the Audited Profit and Loss Account for the financial year ended 31st March 2013 the Balance Sheet as at that date and the Auditor's Report thereon.
2. To elect a director in place of Mr. S.Sridhar who retires by rotation and being eligible offers himself for reappointment.
3. To elect a director in place of Mr. M. Siva Kumar who retires by rotation and being eligible offers himself for reappointment.
4. To elect a director in place of Mr. A. Arunachalam who retires by rotation and being eligible offers himself for reappointment.
5. To appoint Statutory Auditors and fix their remuneration.  
Mr. B. Balasubramanian, Chartered Accountant, Chennai, the retiring Auditor of the Company is eligible for reappointment and offers himself for reappointment.

Date : 31-05-2013

Place : Chennai

By Order of the Board  
for WELLNESS NONI LIMITED

-SD-

P. I. Peter  
Director

**WELLNESS NONI LIMITED**

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY SHOULD BE LODGED WITH THE COMPANY AT LEAST FOURTY EIGHT HOURS BEFORE THE SCHEDULED COMMENCEMENT OF THE ANNUAL GENERAL MEETING OF THE COMPANY.
2. Revenue stamp for 15 paisa should be affixed on the Proxy Form. Forms which are not stamped or inadequately stamped are liable to be considered invalid. Further, for identification purposes etc., it is advisable that the proxy holder's signature may also be furnished in the Proxy Form.
3. Explanatory Statement pursuant to the provisions of section 173 (2) of the Companies Act, 1956 is annexed.
4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Registered Office of the company, a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. Members who are holding Company's shares in dematerialized form requested to bring details of their Depository Account Number for identification.
6. The Register of members and Share Transfer Books of the Company will remain closed from Tuesday 03-09-2013 to Thursday, 05-09-2013 (both days are inclusive)
7. Members holding shares in physical form are requested to notify any change in their address to the Company's Registrar and Transfer Agent and Members holding shares in electronic form may intimate any such change to their Respective Depository Participants (DPs).
8. The equity shares of the Company are available for trading in dematerialized form (scripless trading in electronic form) through Depository Participants.
9. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under section 109A of the Companies Act, 1956, are requested to write to the Company's Registrar for the prescribed form. On request the necessary form can be obtained from the RTA.
10. In compliance with the "Green Initiative in Corporate Governance" as allowed by The Ministry of Corporate Affairs ("Ministry"), Government of India, vide its circular nos.17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011, the Company shall send the Notice of the Annual General Meeting and Annual Report for the financial year 2011 through electronic mode, to those members who have registered their e-mail address with the Company or with their respective depository participant and have opted to receive the aforesaid documents in electronic form. The members are requested to intimate their email id to the registered office of the Company or Registrar and Transfer Agent.

## Wellness Noni Limited

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit PAN to their Depositories participants with whom they are maintaining their demat accounts. Member holding shares in physical form can submit their PAN details to the Company/ Registrar and Transfer Agents Knack Corporate Services Pvt. Ltd.
12. Information pursuant to clause 49 of the listing agreement in respect of proposed appointment/ appointment of directors

01	Name	Mr. M.Sivakumar
A	Date of Birth	31-08-1965
B	Date of Appointment	01-04-2011
C	Qualifications	B.Sc
D	Expertise	Internal Audit, Accounts
E	Other Directorships Name of the Company	Nil
F	Committee Memberships, if any, with position	Nil

02	Name	Mr. A.Arunachalam
A	Date of Birth	02-01-1968
B	Date of Appointment	01-04-2011
C	Qualifications	B.Com
D	Expertise	Printing
E	Other Directorships Name of the Company	Noni BioTech Pvt.Ltd
F	Committee Memberships, if any, with position	Nil

03	Name	Mr. S.Sridhar
A	Date of Birth	17.03.1967
B	Date of Appointment	01-04-2011
C	Qualifications	D.F.Tech
D	Expertise	Public Relation
E	Other Directorships Name of the Company	Nil
F	Committee Memberships, if any, with position	Nil

**WELLNESS NONI LIMITED**

Registered. Office : No.12, Rajiv Gandhi Road, Perungudi, Chennai - 600 096.

**DIRECTORS REPORT**

To

The Members

M/s. WELLNESS NONI LIMITED

(formerly known as RGN Securities and Holdings Limited)

Chennai.

The Directors of your company are pleased to present the 21st Annual Report of the company together with the audited accounts for the period ended 31st March 2013.

**FINANCIAL RESULTS :**

Year ended	31.3.2013	31.03.2012
Turnover	39,57,322.61	59,29,926.66
Profit before depreciation	5,89,884.00	53,130.66
Depreciation	71,980.00	87,117.00
Profit after Depreciation	5,17,904.61	4,48,013.66

**OPERATIONS & BUSINESS OUTLOOK**

After migrating to the new line of business of marketing NONI based products, the Board is satisfied with the current performance of the company. During this year the company's products gained satisfactory reports from the ultimate customers. Due to economic recession faced all over the world, the sales performance has decreased, when compared to last year sales, but the Profit margin has been increased marginally when compare with the last year. The company has taken lot of measures to boost the sales for the current financial year and the company will make good profit in future also.

Further the company has already entered into agreement with Distributors for marketing the company's products nationwide. By way of marketing through various channels viz. Appointment of New stockist and creation of new Stock Point at various places in India, and having taken steps for direct marketing activities to promote the products to the ultimate customers, the Company's performance will be increased and considerable profit will be earned by the Company in the future financial years also.

The Company has an accumulated loss of Rs.1,27,16,579.71 and the same has been decided by the Board to be treated as earlier year losses in the Balance sheet.

**DIVIDEND**

To strengthen the capital base, Your Directors do not recommend any dividend for the financial year ended 31st Mach 2013.

**DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company Mr. S. Sridhar, Mr. M. Sivakumar, and Mr. A. Arunachalam, Directors retiring by rotation and being eligible have offered themselves for re-appointment.

**PUBLIC DEPOSITS**

During the year under review, the Company has neither invited nor received any deposits from the public.

**AUDITORS**

Mr. B. Balasubramanian, Chartered Accountants, the Company's Auditor retire at the conclusion of the ensuing Annual General Meeting and is eligible for re-appointment.

The Board on the recommendation of the Audit Committee has proposed that Mr. B. Balasubramanian, Chartered Accountant, Chennai be re-appointed as the Statutory Auditor of the Company and to hold office till the conclusion of the next Annual General Meeting . Mr. B. Balasubramanian has forwarded his certificate to the Company stating that his re-appointment, if made, will be within the limit specified in that behalf in sub section (1B) of section 224 of the Companies Act.

**AUDITORS' REPORT**

The Report of the Auditors being self-explanatory needs no further comments

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors, to the best of their knowledge and belief, confirm that:

- i. that in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure.
- ii. that the selected accounting policies were applied consistently and the directors 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 as at March 31, 2013 and of the profit/loss of the Company for the year ended on that date;
- iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. that the annual accounts have been prepared on a going concern basis.

<b>FOREIGN EXCHANGE EARNINGS AND OUTGO</b>	<b>2013</b>	<b>2012</b>
Foreign exchange outgo	Nil	Nil
Foreign exchange earnings on FOB basis	Nil	Nil

## **Wellness Noni Limited**

### **INFORMATION AS PER SECTION 217 (1) (E) OF THE COMPANIES ACT, 1956.**

The Company has no activity relating to conservation of energy or technology absorption.

### **PARTICULARS OF EMPLOYEES**

There are no employees drawing remuneration in excess of monetary ceiling prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules, 1975 during the financial year 2012-2013

### **INDUSTRIAL RELATIONS**

Industrial relations continued to be cordial

### **LISTING**

The securities of the Company are listed on the Bombay Stock Exchange Limited and Madras Stock Exchange Ltd. The Company has duly paid the listing fees to all the aforesaid Stock Exchanges for the year 2012-13

### **CORPORATE GOVERNANCE**

The Company has complied with the mandatory provisions of Corporate Governance as prescribed under the Listing Agreement of the Stock Exchanges, with which the Company's shares have been enlisted. A separate Report on Corporate Governance is enclosed as a part of this Annual Report. A certificate as to Compliance of the conditions of Corporate Governance as stipulated under Clause-49 of the Listing Agreement is annexed to the Report on Corporate Governance.

### **SECRETARIAL COMPLIANCE CERTIFICATE UNDER 383A OF THE COMPANIES ACT, 1956**

The Compliance Certificate received in accordance with the provisions of Section 383A read with the Companies (Compliance Certificate) Rules 2001 is annexed to the Director's Report and forms part of this Annual Report. The above said Compliance Certificate is self-explanatory and needs no comments.

### **ACKNOWLEDGEMENTS**

The Board placed on record its appreciation for the assistance and co-operation received from the Banks, Stock Exchanges and Government Authorities. The Board also places on record its gratitude to the employees at all levels for their commitment and dedicated efforts. The Directors are also thankful to the shareholders for their continued support to the Company.

For and on Behalf of the Board of Directors

Place : Chennai  
Date : 31.05.2013

Sd/-  
P.I. Peter  
Director

Sd/-  
S Kala  
Director



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management of WELLNESS NONI LIMITED presents the Industry Overview, Opportunities and Threats, Initiatives by the Company and overall strategy of WELLNESS NONI LIMITED (formerly known as RGN Securities and Holdings Ltd) for the year 2012-2013 and its outlook for the future. This outlook is based on assessment on the current business environment; it may vary due to future economic and other developments.

This Management Discussion and Analysis statement of the Annual Report has been included in adherence to the spirit enunciated in the code of Corporate Governance approved by the Securities and Exchange Board of India.

### **Introduction :**

WELLNESS NONI LIMITED (formerly known as RGN Securities and Holdings Ltd) has entered the business of manufacturing and Marketing of Noni based Fruit Juice Concentrate. These products are considered Food supplementary and harmless to the human beings. Even with a (hopefully) recovering economy, doing business is challenging on the home front because of regulatory changes, raw material pricing, corporate sustainability goals and changing consumer demands, among others., and on the global front by the difficulty (but seeming necessity) to set up foreign operations, safety and reliability of offshore suppliers, impact of currency fluctuations and competition for talent.

### **Macro-Economic**

That the Indian economy is slowing down is very evident. Advance estimates from the Central Statistical Organisation (CSO), Government of India (GoI) suggest that real GDP growth reduced further from 6.2% in 2011-12 to 5% in 2012-13. What is even more worrisome is the fact that over the last 9 quarters the situation has gotten progressively worse. These levels of growth are far below the 8%-9% annual growth rates envisaged originally in the GoI's long term planning programmes. The structure of economic growth is also not very encouraging for the immediate future. Incremental Gross Fixed Capital Formation (GFCF), which gives an indication of the creation of growth promoting assets in an economy, has also reduced from high levels of 14% in 2010-11 to 4.4% in 2011-12 and further down to a mere 2.5% in 2012-13. In light of this economic slowdown, it is natural to witness a reduction in construction activity.

### **Overview of the Business of the Company**

India is the second largest producer of food in the world. Whether it is canned food, processed food, food grains, dairy products, frozen food etc, the Indian agro industry has a huge potential, the significance and growth of which will never cease. A few years ago, companies struggled to sell packaged foods and food supplements. But now it is much easier to break into the Indian market because of a younger population, higher incomes, new technologies and a growing middle class, estimated at 50 million households. An average Indian spends around 53 per cent of his/her income on food. The domestic market for processed foods is not only huge but

is growing fast in tandem with the economy. It is estimated to be worth \$90 billion. Processed Food Manufacturing companies are required to be persistent and must adapt products to the Indian cultural preferences. With modernization, innovation and incorporation of latest trends and technology in the entire food chain as well as agro-production, the total production capacity of agro products in India and the world is likely to double by the next decade.

### **Opportunities and Threats**

#### **Opportunities**

Your Company has to differentiate its service with the help of technology and human capital. Against this backdrop, your company has been marching ahead to face the competition and improve its market share.

#### **Threats**

The major challenges are investments at different points of the supply and value chain, proper research, farm and lab connectivity, up gradation of technology, increase in farm holding, skill and manpower training, backend and front-end integration and cold chain integration

#### **Segmental Analysis**

Your company is concentrating in only one segment i.e., Manufacturing and trading of Agri based Food Products.

#### **Outlook**

The company has already launched lot of noni based cosmetic products at domestic as well as international level.

Our Endeavour to drive organic growth is driven by a two pronged strategy. Firstly, we are focusing on expanding the number and variety of products offered to customers based upon focused research and consumer feedback. Secondly, our thrust is on enhancing distribution in the country.

The company caters on both corporate and individual clients. The company's sales strategy addresses both domestic and overseas markets. The company has an established Indian dealer/distributor and franchise network. The company is planning to establish a retail outlet chain called "Wellness Shoppe" the outlets are franchisee owned shops, all these various channels are backed up with sound advertisement and Public Relation campaigns.

#### **Strength**

- A pioneer and leader in the field of spreading wellness awareness among the people.

#### **Comprehensive range of service offerings.**

- Long-term client relationship.
- Strategic focus on Indian domestic market.