



**NUWAY ORGANIC NATURALS (INDIA) LTD.**

**16<sup>th</sup>**

**ANNUAL REPORT  
2010-2011**

# **CORPORATE INFORMATION**

## **CHAIRMAN & MANAGING DIRECTOR**

Mr. Manminder Singh Narang

## **BOARD OF DIRECTORS**

Mr. Ashok Kumar  
Mrs. Ginny Singh  
Mrs. Daisy Singh  
Mrs. Rosy Arora  
Mrs. Anchal Narang

## **COMPANY SECRETARY**

Amit Shekhar

## **AUDITORS**

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

## **Regd. Office**

22, Pratap Colony, Model Gram,  
Ludhiana (Punjab)

## **Registrar and Share Transfer Agent**

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

### **16<sup>TH</sup> ANNUAL GENERAL MEETING**

Day : Friday  
Date : 30th September, 2011  
Time : 10.00 A.M.  
Place : 22, Pratap Colony,  
Model Gram,  
Ludhiana (Punjab)

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## NOTICE

To,  
The Members,

Notice is hereby given that the **16th Annual General Meeting** of the Company will be held at the **Registered office at 22, Pratap Colony, Model Gram, Ludhiana (Punjab)** on Friday, **the 30th September, 2011**, at 10.00 A.M. to transact the following businesses:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2011, and Profit & Loss Account of the Company for the year ended 31st March, 2011 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 a director in place of Mrs. Anchal Narang, 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.

### **SPECIAL BUSINESS**

5. To Consider and if thought fit, to pass the following Resolution with or without modification.

**“RESOLVED THAT** pursuant to provisions of Section 269 and Section 316 read with Schedule XIII of the Companies Act, 1956, and provisions of Article 118 (1) of Articles of Association of the Company, appointment of Sh. Manminder Singh Narang as Managing Director of the Company, as made by the board in its meeting on 11/04/2011, is hereby confirmed and approved for a period of five years from 01-05-2011 to 30-04-2016, without any remuneration.”

Place : Delhi  
Date : 02/09/2011

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

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 29th September, 2011 to 30th September, 2011 (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.
6. The explanatory statement pursuant to section 173(2) of the Companies Act, 1956 in respect of item no. 5 is annexed here with.

Place : Delhi  
Date : 02/09/2011

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

Sd/-  
**Manminder Singh Narang**  
Chairman & Managing Director

**Explanatory Statement  
(Pursuant to Section 173(2) of Companies Act, 1956)**

**Item no. 5:-**

Tenure of Sh. Manminder Singh as Managing director of the Company expired on 30/04/2011. Your Board has reappointed him as Managing Director for a further period of five years from 01/05/2011 to 30/04/2016, without any remuneration. In terms of Part-III of Schedule XIII of the Companies Act, 1956 members' approval by way of Ordinary Resolution is required.

Mr. Manminder Singh Narang is one of the Promoter of the Company. Under his leadership, company has progressed steadily and looking forward to progress immensely. Mr. Manminder Singh Narang is also a Managing Director in Three-N-Products Private Limited. He is drawing remuneration from that company. As no remuneration is being paid, there is no requirement of taking recommendations of Remuneration Committee. Hence, Your Board recommends the same for your approval.

Further, This may also be treated as a notice u/s 302 of the Companies Act, 1956, if required as per clause 49 of the listing agreement is given in the report under the heading Corporate Governance.

No director except Mr. Manminder Singh Narang himself, Mrs. Anchal Narang and Mrs. Daisy Singh being relatives are interested in the resolution as per Item no 5 of Notice.

Place : Delhi  
Date : 02/09/2011

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

Sd/-  
**Manminder Singh Narang**  
Chairman & Managing Director

## DIRECTORS' REPORT

To,  
The Members,  
**M/S NUWAY ORGANIC NATURALS INDIA LTD**

Your Directors have pleasure in presenting the 16th Annual Report along with the Audited Statement of Accounts of the company for the financial year ended 31st March, 2011.

(Rs. In '000)

	Year ended March 31, 2011	Year ended March 31, 2010
Total Income	96896.377	118717.131
Less: Expenses	92992.227	104076.502
Profits/Loss before Interest		
Depreciation & Taxation	3904.150	14640.629
Financial Expenses	—	20.440
Profit before Depreciation & Taxation	3904.150	14620.189
Depreciation	1109.397	1483.312
Preliminary Exp written off	—	297.704
Provision for Income Tax	800.000	5709.400
Net Profit	712.622	6598.438

### **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 earned a profit of Rs. 7.12 Lacs against the profit of Rs. 65.98 Lacs in the previous year.

### **FUTURE OUTLOOK**

Your Company's distillery project at Rajpura has commenced production and is hopeful of garnering significant market share in coming years. Your company is doing reasonably well in other areas of cosmetic and portable water trading.

### **MATERIAL CHANGES**

No material change affecting the affairs of the Company has happened between the date of the Balance Sheet and upto the date of this report.

### **PUBLIC DEPOSITS**

Your Company has not accepted any deposits with in 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 Six 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 31.03.2011 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. Ginny Singh and Mrs. Anchal Narang retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Tenure of Sh. Manminder Singh as Managing director of the Company expired on 30/04/2011. Your Board, Subject to approval of Shareholders, has reappointed him as Managing Director for a further period of five years from 01/05/2011 to 30/04/2016, without any remuneration.

Mr. Dilvinder Singh and Mr. Amit Singh Grover resigned from the board of the Company w.e.f. 27.09.2010. Your directors would like to place on record their appreciation for the valuable services rendered by them during their tenure as directors.

Brief resume of the director 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.

**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 Practicing Company Secretary regarding 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 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 upgradation through R&D activities are being made.

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

PARTICULARS	Year Ended	Year Ended
	31.03.11	31.03.10
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 2011-12 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 : 02/09/2011

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 and Vodka, trading of cosmetics and trading of bottled soda and potable water.

Fast Moving Consumer Goods (FMCG) will be witnessing more than 50% of growth in its Rural and Semi-Urban Segments by 2012 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.1,06300 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 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 11 of schedule XII of the Balance sheet as at 31/03/2011.

### **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 will be ready for production in another 4-5 months. 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 31.03.2011 the total number of regular employees was 9.

## 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 31.03.2011 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	9	9	5	Yes
Mr. Ashok Kumar	Non Promoter Non Executive Independent Director	Director	9	9	2	Yes
Mrs. Rosy Arora	Non Promoter Non Executive Independent Director	Director	9	6	5	Yes
Mrs. Anchal Narang	Promoter Non Executive Director	Director	9	6	4	Yes
Mrs. Ginny Singh	Non Promoter Non Executive Independent Director	Director	9	9	1	No
Mrs. Daisy Singh	Promoter Non Executive	Director	9	0	1	No

Since Mr. Dilvinder Singh and Mr. Amit Singh Grover were appointed as additional directors on 03.07.2010 and 23.07.2010 respectively and have resigned with effect from 27.09.2010, their names were not included in the above table.

### 3. Board Meetings

During the financial year 2010-11, 9 meetings of Board of Directors were held. These were held on 13.05.2010, 03.07.2010, 23.07.2010, 13.08.2010, 30.08.2010, 25.09.2010, 13.11.2010, 01.02.2011, 15.02.2011. 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.
- Quartely 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.

Six meetings of the Audit Committee were held during the year as against the requirement of minimum four meetings. The meetings were held on 13-05-2010, 13-08-2010, 30-08-2010, 13-11-2010, 01-02-2011, 15-02-2011. Mr. Ashok Kumar is acting as Chairman of the Audit Committee w.e.f. 11.01.2010.

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	6	6
Mrs. Ginny Singh	Member	Non-Executive Independent Director	6	6
Mrs. Daisy Singh	Member	Non-Executive Promoter Director	6	0

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

**b) Remuneration Committee**

A Remuneration committee was constituted to review and approve the salaries, commission, service agreement and other employment conditions for the executive directors.

However, after the resignation of Mr. Dapinder Paul Singh and Mr. Mahinder Pal Singh on on 31/10/2009 and 15/12/2009 respectively, Mr. Ashok Kumar is the only member left. As no appointment of director at a remuneration was made there was 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, 2011 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	30.09.2008	AGM	22, Pratap Colony, Model Gram, Ludhiana-02	10.00 A.M.	No S.R.
2	12.05.2008	EGM	2/12 west Patel Nagar, New Delhi-110008	10.00 A.M.	1. Reappointment of M.D., 2. Delisting from Ahmedabad and Jaipur STX
4	16.01.2009	EGM	24A, Najaf Garh Road, Shivaji Marg, Delhi-15	10.00 A.M.	No S.R.
5	30.09.2009	AGM	22, Pratap Colony, Model Gram, Ludhiana-02	10.00 A.M.	No S.R.
6	27.09.2010	AGM	22, Pratap Colony, Model Gram, Ludhiana-02	10.00 A.M.	No S.R.
7	28.02.2011	EGM	22, Pratap Colony, Model Gram, Ludhiana-02	10.00A.M	No S.R.

\*\*Special Resolutions were passed by Show of Hands.

\* No resolution was passed through Postal Ballot during the year under review.

**Disclosures**

1. 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 31/03/2011.

2. 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.
3. Presently, the Company does not have a Whistle Blower Policy However, no personnel of the Company has been denied access to the Audit Committee.
4. 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 2010-11.

**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 : 16th Annual General Meeting  
 Date : 30th September, 2011  
 Day : Friday  
 Time : 10.00 A.M.  
 Place : 22, Pratap Colony, Model Garm, Ludhiana  
 Financial Year : 1st April, 2010 to 31st March, 2011

**b) Financial Calendar**

Tentative calendar of events for the financial year 2011-12 (April to March) is as under:

**Adoption of Quarterly Financial Results for:**

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

**c) Book Closure**

Book closure is from 29th September, 2011 to 30th September, 2011 (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 2011-12 has been paid to BSE & DSE

**Market Price Data**

There were no market price data available, as Trading in the shares of company is currently suspended on BSE & there is no trading on Delhi Stock Exchange.

**Shareholders Complaints**

Company has not received any complaint during the financial year 2011-12.

**Distribution of Shareholding**

Distribution of Shareholding as at 31.03.2011.

Shareholding	No. of Share holders	% of shareholders	No. of shares	% of shareholding
Up to 5000	136	49.28	65900	1.2553
5001 to 10000	26	9.42	24000	0.4572
10001 to 20000	20	7.25	39800	0.7582
20001 to 30000	2	0.72	5500	0.1048
30001 to 40000	7	2.54	26200	0.4991
40001 to 50000	16	5.80	78500	1.4954
50001 to 100000	22	7.97	200500	3.8193
100001& above	47	17.03	4809200	91.6108
<b>TOTAL</b>	<b>276</b>	<b>100</b>	<b>5249600</b>	<b>100</b>

Categories of Shareholding as at 31.03.2011 is as under:

Category of Shareholders	No. of Shareholders	Total Number of Shares	Shareholding (as percentage of total shares)	Shares pledged or otherwise encumbered
<b>SHAREHOLDING OF PROMOTER AND PROMOTER GROUP</b>				
Individuals/HUF	8	840000	16	0.00
Bodies Corporate	1	2170200	41.34	0.00
Sub-Total	9	3010200	57.34	0.00
<b>PUBLIC SHAREHOLDING</b>				
Individuals/ HUF	263	1647800	31.39	0.00
Bodies Corporate	4	591600	11.27	0.00
Sub-Total	267	2239400	42.66	0.00
<b>Total</b>	<b>276</b>			<b>0.00</b>

**Registrar & Transfer Agent/Investor Correspondence**

Pursuant to the SEBI directive, the Company has appointed M/s Beetal Financial & Computer Services (P) Limited. as Share Transfer Agent for maintaining all the work related to share registry in terms of physical form. Shareholders can communicate with them for lodgement of transfer deeds and their queries at the following address:

**Beetal Financial & Computer Services (P) Limited**

Beetal House, 3rd Floor, 99 Madargiri,  
Behind Lock Shopping Centre,  
Near Dad Harsukh Dass Mandir,  
New Delhi-110062  
Telephone : 011- 29961281, 29961282  
Fax : 011- 29961284

**Compliance Officer**

Sh. Manminder Singh Narang  
Chairman cum Managing Director  
Corporate Office: 24A, Shivaji Marg,  
Najafgarh Road, New Delhi - 110015  
Phone no. 011-25115933-34  
Fax: 011-25160499  
E-mail: [nuwaycare.12@gmail.com](mailto:nuwaycare.12@gmail.com)

**Plant Locations:**

Vodka Manufacturing Facility being put up  
Devi Nagar, Distt. Patiala,  
Tehsil, Rajpura (Punjab)

**Cosmetics Manufacturing**

27, Industrial Area,  
Baddi, Himachal Pradesh

**Dematerialization of Shares**

Company has entered into agreement with NSDL and CDSL and has been allotted ISIN INE414L01012. However, during the period, no request for dematerialization of shares is made by any shareholders.

**Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity**

Company has not issued any GDRs/ADRs. Further, no other instrument has been issued which is convertible in to equity.

**Brief Resume of the Persons to be appointed / reappointed as Director/ Managing Director. Details of Directors pursuant to clause 49 of the Listing Agreement:**

<b>PARTICULARS</b>	Mrs. Ginny Singh	Mrs. Anchal Narang	Mr. Manminder Singh Narang
<b>Age</b>	39 years	43 Years	54 Years
<b>Qualification</b>	B.Com	B.A. ( Diploma in Mass Comm.)	B.Com
<b>Experience</b>	6 years of experience in Manufacturing & Trading Industry.	18 years of experience in Herbal Products	More than 20 years of experience in Manufacturing & Trading Industry.
<b>Directorship in Board of other Companies</b>	Artmica Laminates Pvt. Ltd.	1.Three-N-Products Pvt. Ltd. 2.Ayur Herbals Pvt. Ltd. 3.Three-N-Construction Pvt. Ltd. 4.Shivam Cooldrinks Pvt. Ltd.	1. Three-N-Products Pvt. Ltd 2.Ayur Herbals Pvt. Ltd. 3.Three-N-Construction Pvt. Ltd. 4. Guru Dhara Chits Pvt. Ltd. 5.Guru Dhara Travels (India) Pvt. Ltd.
<b>Shareholding as on 31.03.2011</b>	Nil	1,05,000 Equity shares	1,05,000 Equity Shares

Place : Delhi  
Date : 02/09/2011

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

Sd/-  
**Manminder Singh Narang**  
Chairman & Managing Director

## DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

To,  
The Board of Directors,  
**Nuway Organic Naturals India Limited,**

The Company has framed a specific Code of Conduct for the members of the Board of Directors and Senior Management Personnel of the Company pursuant to Clause 49 of the Listing Agreement with Stock Exchange to further strengthen corporate governance practices in the Company.

All members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them and there is no non compliance thereof during the year ended 31st March, 2011.

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

Sd/-  
**Manminder Singh Narang**  
Chairman & Managing Director

Place : Delhi  
Date : 02/09/2011

## Managing Director (MD) / Chief Executive Officer (CEO) / Chief Financial Officer (CFO) Certification

To  
The Board of Directors,  
**Nuway Organic Naturals India Limited,**

I hereby certify to the Board that:

- a) I have reviewed financial statements and the cash flow statement for the year ended 31st March, 2011 and that to best of my knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
  - (ii) these statements together present a true and fair view of the company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of my knowledge and belief, no transaction entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which I was aware and the steps I have taken or propose to take to rectify these deficiencies.
- d) I have indicated to the auditors and the Audit committee
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statement; and
  - (iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

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

Sd/-  
**Manminder Singh Narang**  
Chairman & Managing Director

Place : Delhi  
Date : 02/09/2011



**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF LISTING AGREEMENT.**

To,  
The Members,  
**Nuway Organic Naturals India Ltd,**

I have reviewed the compliance of conditions of Corporate Governance by NUWAY ORGANIC NATURALS INDIA LTD for the year ended 31st March 2011, as stipulated in Clause 49 of the Listing Agreement, of the said Company with the Stock Exchange in India. I have conducted my review on the basis of the relevant records and documents maintained by the Company for the year ended 31st March, 2011 and furnished to me for the purpose of the review and the information and explanations given to me by the Company during the course of such review.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My review was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of my review and according to the information and explanations given to me, the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements with the Stock Exchanges have been complied with in all respect by the Company. The company has not fully complied with the provisions of clause 41 of the Listing Agreement. Further, as there is no trading in the company's scrip market price of company's shares is not available.

**I further state that no investor grievances are pending for a period exceeding one month against the Company as per the information made available to me.**

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

Place: Delhi  
Date: 02.09.2011

**Sd/-**  
R.S.BHATIA  
Company Secretary in Practice  
C.P.No.2514

## AUDITOR'S REPORT

### TO THE MEMBERS OF NUWAY ORGANIC NATURALS INDIA LIMITED

We have audited the attached Balance Sheet of NUWAY ORGANIC NATURALS INDIA LIMITED as at 31st March, 2011 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) order, 2003 (as amended), issued by Central Government in terms of section 227(4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraph 4 and 5 of the said order.
  - . Further to our comments in the Annexure referred to in paragraph 1 above, we report that:
    - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
    - (b) In our opinion, proper books of accounts as required by law have been kept by the company so far, as appears from our examination of such books at 22, Pratap Colony, Model Gram, Ludhiana, 141002.
    - (c) The Balance Sheet, Profit and loss and cash flow statement account referred to in this report are in agreement with the books of account.
    - (d) In our opinion, the Profit and Loss Account, the Balance Sheet and cash flow statement comply with the Accounting standards referred to in Section 211(3C) of the Companies Act, 1956, to the extent applicable.
    - (e) On the basis of the information received from the management, We report that none of the Directors is disqualified, from being appointed as a director of the company in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
    - (f) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet, the Profit and Loss account and cash flow statement read together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
      - (i) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2011;
      - (ii) in the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date and
      - (iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

**For Shanti Prashad & Company**  
Chartered Accountants

**Sd/-**

(Satish Agrawal)  
Partner

M No. 505969/ FRN 019923N

Place: Delhi  
Dated: 02nd Sep 2011

**ANNEXURE REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE**

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) As explained to us, all the fixed assets have been physically verified by the management during the year at reasonable intervals and we are informed that no material discrepancies were noticed on physical verification.  
(c) The Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected
2. (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) The company is maintaining proper records of inventory and the discrepancies noticed on physical verification of inventory as compared to book records, which were not material, have been properly dealt with in the books of account.
3. (a) The company has not granted any secured or unsecured loans to companies, firms or other parties covered in the registers maintained under Section 301 of the Companies Act, 1956.  
(b) As the company has not granted any Secured / Unsecured loan, therefore clause (iii)(b) of the Companies (Auditor Report) Order 2003 (as amended) is not applicable.  
(c) As the company has not granted any Secured / Unsecured loan, therefore clause (iii)(c) of the Companies (Auditor Report) Order 2003 (as amended) is not applicable.  
(d) As the company has not granted any Secured / Unsecured loan, therefore clause (iii)(d) of the Companies (Auditor Report) Order 2003 (as amended) is not applicable.  
(e) The company has taken fresh unsecured loan of Rs. 1240.00 Lakhs from persons covered in the register maintained under section 301 of the Companies Act, 1956. The year end balance of the loan taken from such persons is Rs.1930.00 Lakhs.  
(f) The terms and conditions of the loan are prima facie not prejudicial to the interest of the company.  
(g) The repayment of loan and interest amount is regular.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. There was no continuing failure to correct major weaknesses in the internal control systems.
5. (a) According to information and explanation given to us, we are in the opinion that the particulars of contract or arrangement referred to in section 301 of The Companies Act, 1956 have been entered in the register maintained under that section.  
(b) In our opinion and as per information and explanations given to us, the transaction made in pursuance of contacts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 in respect of any party with which transaction during the year have been made at prices which are reasonable having regard to prevailing market price at the relevant time.
6. In our opinion and as per information and explanations given to us, The company has complied with the provisions of Sec 58A and 58AA of the companies Act, 1956 and Companies (Acceptance of Deposits) Rules, 1975 with regard to deposit accepted from the public. As informed to us, the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other tribunal has passed no order in this regard against the company.
7. In our opinion, the company has a system of internal audit, which is commensurate with its size and nature of the business.

8. The Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 for any of the products of the Company.
9. (a) According to the records of the Company, it is regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax and other applicable statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed statutory dues in respect of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Wealth Tax, Service Tax, Sales Tax, Custom Duty, Excise Duty, and Cess were outstanding, as at 31st March, 2011, for a period of more than six months from the date they become payable.  
(b) As per information and explanations given to us, there is no disputed amount in respect of sales tax, income tax, custom tax, wealth tax, service tax, excise duty or cess, which has not been deposited on account of any dispute.
10. The company has no accumulated losses at the end of the financial year. The company has not incurred cash losses in the financial year under audit and neither in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.
12. As explained to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. Provisions of any special statute applicable to Chit Fund are not applicable to the Company.
14. In our opinion the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provision of clause 4(xiv) of the Companies(Auditors report) Order, 2003 are not applicable to the company. The Investments made in shares is held in the name of the company.
15. As informed to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
16. During the year the company has availed various fresh term Loan of Rs. 1850 Lakhs from Oriental Bank of Commerce. Further In our opinion and according to information and explanations received by us from the management, we report that the term loans were applied for the purpose for which the loans were obtained.
17. According to the information and explanations given to us and on as overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investments. No long term funds have been used to finance short-term assets except permanent working capital.
18. The Company has not made any preferential allotment of shares during the year to the persons covered in the register maintained under section 301 of Companies Act, 1956.
19. The Company has not issued any debentures.
20. The Company has not raised any money by public issue during the year.
21. According to the informations and explanations given to us no material fraud on or by the company has been noticed or reported during the year.

**For Shanti Prashad & Company**  
Chartered Accountants

**Sd/-**

(Satish Agrawal)

Partner

M No. 505969/ FRN 019923N

Place: Delhi

Dated: 02nd Sep 2011

**BALANCE SHEET AS AT 31st MARCH, 2011**

Schedules	AMOUNT AS ON 31.03.2011 (Rs.)	AMOUNT AS ON 31.03.2010 (Rs.)
<b>1) SOURCES OF FUNDS</b>		
A) SHARE HOLDER'S FUNDS		
a) SHARE CAPITAL	115,405,750.00	115,405,750.00
B) RESERVE & SURPLUS	7,555,961.17	6,843,338.27
C) LOAN FUNDS		
a) SECURED LOAN	184,990,123.01	-
b) UNSECURED LOAN	193,000,000.00	74,000,000.00
D) DEFFERED TAX LIABILITY	2,400,000.00	1,117,870.00
<b>TOTAL (Rs.)</b>	<b>503,351,834.18</b>	<b>197,366,958.27</b>
<b>2) APPLICATION OF FUNDS</b>		
A) FIXED ASSETS	V	
GROSS BLOCK	441,829,768.48	236,591,987.57
LESS: DEPRECIATION	(4,465,419.54)	(3,356,022.18)
NET BLOCK	437,364,348.94	233,235,965.39
EXP. PENDING CAPITALISATION- WIP	37,242,972.34	14,213,483.51
B) INVESTMENT	15,130,000.00	15,130,000.00
C) CURRENT ASSETS, LOANS & ADVANCES	VIII	
a) STOCK-IN-TRADE	7,904,674.91	8,980,710.32
b) SUNDRY DEBTORS	68,934,396.87	56,888,391.93
c) CASH & BANK BALANCES	84,490,419.89	16,331,886.21
d) OTHER CURRENT ASSETS	1,337,682.00	1,552,371.00
e) LOANS & ADVANCES	18,174,013.60	15,544,256.60
<b>TOTAL (a)</b>	<b>180,841,187.27</b>	<b>99,297,616.06</b>
LESS : CURRENT LIABILITIES & PROVISIONS	IX	
a) CURRENT LIABILITIES	164,892,708.37	162,976,140.69
b) PROVISIONS	2,333,966.00	1,533,966.00
<b>TOTAL (b)</b>	<b>167,226,674.37</b>	<b>164,510,106.69</b>
NET CURRENT ASSETS (a - b)	13,614,512.90	(65,212,490.63)
D) MISC EXP TO THE EXTENT NOT WRITTEN OFF	-	-
<b>TOTAL ( A + B + C + D )</b>	<b>503,351,834.18</b>	<b>197,366,958.27</b>

**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS** XII

Schedule I to XII form an integral part of the Accounts  
This is the Balance Sheet referred to in our report of even date.

**For Shanti Prashad & Co.**

Chartered Accountants

Sd/-  
**(Satish Agarwal)**  
Partner  
M No. 505969/ FRN 019923N  
Place : Delhi  
Dated: 02/09/2011

Sd/-  
**(Manminder Singh Narang)**  
Managing Director

**ON BEHALF OF THE BOARD**

FOR NUWAY ORGANIC NATURALS INDIA LTD.

Sd/-  
**(Rosy Arora)**  
Director

Sd/-  
**(Amit Shekhar)**  
Company Secretary

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2011**

Schedules	AMOUNT AS ON 31.03.2011 (Rs.)	AMOUNT AS ON 31.03.2010 (Rs.)
<b>A) INCOME</b>		
SALES	96,797,447.08	118,717,131.45
LESS: EXCISE DUTY	-	-
NET SALES	96,797,447.08	118,717,131.45
OTHER INCOME	98,930.69	-
<b>TOTAL (A)</b>	<b>96,896,377.77</b>	<b>118,717,131.45</b>
<b>B) EXPENDITURE</b>		
COST OF GOODS SOLD X	89,751,851.06	98,514,247.44
ADMN. & ESTABLISHMENT EXP XI	3,240,376.45	5,562,254.65
<b>TOTAL (B)</b>	<b>92,992,227.51</b>	<b>104,076,502.09</b>
PROFIT/LOSS BEFORE		
INTEREST/DEPRICIATION (A-B)	3,904,150.26	14,640,629.36
FINANCIAL EXPENSES	-	20,440.14
PROFIT/LOSS BEFORE DEPRECIATION	3,904,150.26	14,620,189.22
DEPRECIATION V	1,109,397.36	1,483,312.00
PROFIT/LOSS AFTER DEPERCIATION	2,794,752.90	13,136,877.22
PRELIMINARY EXP WRITTEN OFF	-	297,706.00
PROFIT/LOSS BEFORE TAX	2,794,752.90	12,839,171.22
PROVISION FOR INCOME TAX	800,000.00	5,709,400.00
PROVISION FOR DEFERRED REVENUE	1,282,130.00	531,333.00
NET PROFIT/LOSS	712,622.90	6,598,438.22
BALANCE B/F FROM PREVIOUS YEAR	6,843,338.27	244,900.05
PROFIT/LOSS TRANSFER TO RESERVE & SURPLUS	7,555,961.17	6,843,338.27

**SIGNIFICANT ACCOUNTING POLICIES XII  
& NOTES ON ACCOUNTS**

Schedule I to XII form an integral part of the Accounts  
This is the Profit & Loss A/c referred to in our report of even date.

**ON BEHALF OF THE BOARD**  
FOR NUWAY ORGANIC NATURALS INDIA LTD.

**For Shanti Prashad & Co.**  
Chartered Accountants

Sd/-  
**(Satish Agarwal)**  
Partner  
M No. 505969/ FRN 019923N  
Place : Delhi  
Dated: 02/09/2011

Sd/-  
**(Manminder Singh Narang)**  
Managing Director

Sd/-  
**(Rosy Arora)**  
Director

Sd/-  
**(Amit Shekhar)**  
Company Secretary

**SCHEDULE FORMING PART OF THE BALANCE SHEET**

PARTICULARS	ANNEXURE	AMOUNT AS ON 31.03.2011 (Rs.)	AMOUNT AS ON 31.03.2010 (Rs.)
<b>SCHEDULE - I : SHARE CAPITAL</b>			
AUTHORISED SHARE CAPITAL			
85,00,000 EQUITY SHARE OF RS. 10/- EACH		85,000,000.00	85,000,000.00
6,50,000 PREFERENCE SHARES OF RS. 100/- EACH		65,000,000.00	65,000,000.00
ISSUED SUBSCRIBED & PAID UP CAPITAL			
EQUITY SHARES			
A 52,49,600 EQUITY SHARES OF RS. 10/- EACH		52,496,000.00	52,496,000.00
LESS: UNPAID ALLOTMENT MONEY		(2,090,250.00)	(2,090,250.00)
NET PAID UP EQUITY CAPITAL	(I)	50,405,750.00	50,405,750.00
PREFERENCE SHARES			
6,50,000 PREFERENCE SHARE OF RS. 100/- EACH		65,000,000.00	65,000,000.00
LESS: UNPAID ALLOTMENT/ CALL MONEY		-	-
NET PAID UP PREFERENCE CAPITAL	(II)	65,000,000.00	65,000,000.00
<b>GRAND TOTAL - (i) + (ii)</b>		<b>115,405,750.00</b>	<b>115,405,750.00</b>

**SCHEDULE - II : RESERVE & SURPLUS**

Profit and Loss Account			
Opening Balance as per Last Financials		6,843,338.27	244,900.05
Add: Net Profit for the Year		712,622.90	6,598,438.22
Amount Brought forward to Balance Sheet		7,555,961.17	6,843,338.27

**SCHEDULE - III : SECURED LOAN**

OBC BANK RAJPURA (TERM LOAN SECURED AGAINST -PLANT & MACHINERY, BUILDING AND ALL FIXED ASSETS OF RAJPURA UNIT)		184,990,123.01	-
<b>TOTAL</b>		<b>184,990,123.01</b>	<b>-</b>

**SCHEDULE - IV : UNSECURED LOAN**

Deposits/ Loans From Directors			
1 MANMINDER SINGH NARANG		79,000,000.00	5,000,000.00
Deposits / Loans From Corporates			
1 RDM CARE INDIA PVT. LTD.		60,000,000.00	60,000,000.00
2 THREE-N-PRODUCTS PVT. LTD.		19,000,000.00	9,000,000.00
3 THREE-N-CONSTRUCTION PVT. LTD.		35,000,000.00	
<b>TOTAL</b>		<b>193,000,000.00</b>	<b>74,000,000.00</b>

NUWAY ORGANIC NATURALS INDIA LIMITED CONSOLIDATED SCHEDULE OF FIXED ASSETS AS ON 31/03/2011												
S.NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
		OP BAL AS ON 01.04.2010	ADD. PURCHASE DURING THE YEAR	LESS: SOLD DURING THE YEAR	CL. BAL AS ON 31.03.2011	RATE OF DEP. (SLM)	DEP UPTO 3/31/2010	DEP. DURING THE YEAR	TOTAL DEPRECIATION	W.D.V. AS ON 31.03.2011	W.D.V. AS ON 31.03.2010	
<b>TANGIBLE ASSETS</b>												
1	LAND & SITE DEVELOP.	13,887,957.62	5,148,565.50	-	19,036,523.12	-	-	-	-	19,036,523.12	13,887,957.62	
2	FAX	20,431.00	-	-	20,431.00	13.91	13,660.00	942.00	14,602.00	5,829.00	6,771.00	
3	PHOTOCOPIER	20,571.00	29,450.00	-	50,021.00	13.91	13,681.52	958.00	14,639.52	35,381.48	6,889.48	
4	FURNITURE & FIXTURE	159,353.00	-	-	159,353.00	18.10	84,762.94	13,501.00	98,263.94	61,089.06	74,590.06	
5	AIR CONDITIONER	44,000.00	-	-	44,000.00	13.91	18,560.00	3,539.00	22,099.00	21,901.00	25,440.00	
6	STABILIZER	2,800.00	-	-	2,800.00	13.91	1,177.72	226.00	1,403.72	1,396.28	1,622.28	
7	PLANT & MACHINERY	8,327,483.00	37,765.00	-	8,365,248.00	13.91	2,137,919.00	871,826.06	3,009,745.06	5,355,502.94	6,189,584.00	
8	ELECTRIC PANEL	1,155,380.92	-	-	1,155,380.92	13.91	319,353.00	117,043.90	436,396.90	718,984.02	836,027.92	
9	INVERTOR	9,610.00	-	-	9,610.00	13.91	3,835.00	803.00	4,638.00	4,872.00	5,775.00	
10	DIES & MOULDS	33,560.00	-	-	33,560.00	13.91	7,822.00	3,580.15	11,402.15	22,157.85	25,738.00	
11	FIRE EQUIPMENTS	4,387.00	-	-	4,387.00	13.91	714.00	510.91	1,224.91	3,162.09	3,673.00	
12	CNG THREE WHEELER	757,420.00	-	-	757,420.00	13.91	218,556.00	75,149.98	293,705.98	463,714.02	538,884.00	
13	ATLANTS HOT & COLD	120,000.00	-	-	120,000.00	13.91	17,640.00	14,238.28	31,878.28	88,121.72	102,360.00	
14	COMPUTER	10,998.00	-	-	10,998.00	40.00	3,664.00	2,933.60	6,597.60	4,400.40	7,334.00	
15	CAMERA'S INSTRUMENTS	-	50,021.00	-	50,021.00	13.91	-	3,478.96	3,478.96	46,542.04	-	
16	LCD	-	11,500.00	-	11,500.00	13.91	-	666.52	666.52	10,833.48	-	
<b>WORK IN PROGRESS - TANGIBLE ASSETS</b>												
A	BUILDING UNDER CONSTRUCTION	71,657,177.12	18,426,265.11	-	90,083,442.23	-	-	-	-	90,083,442.23	71,657,177.12	
B	PLANT & MACHINERY UNDER CONSTRUCTION	-	-	-	-	-	-	-	-	-	-	
1	PLANT & MACHINERY	131,743,470.41	156,135,148.20	-	287,878,618.61	-	-	-	-	287,878,618.61	131,743,470.41	
2	ELECTRIC PANEL	2,511,824.50	1,899,282.50	-	4,411,107.00	-	-	-	-	4,411,107.00	2,511,824.50	
3	FIRE EQUIPMENTS	-	2,592,400.00	-	2,592,400.00	-	-	-	-	2,592,400.00	-	
4	WEIGH MACHINERY	454,500.00	10,800.00	-	465,300.00	-	-	-	-	465,300.00	454,500.00	
5	TUBEWELL	1,327,995.00	-	-	1,327,995.00	-	-	-	-	1,327,995.00	1,327,995.00	
6	POST HOLDINGER TREEPLANTER	26,000.00	-	-	26,000.00	-	-	-	-	26,000.00	26,000.00	
7	VENTILATOR	67,600.00	-	-	67,600.00	-	-	-	-	67,600.00	67,600.00	
8	TURBINES	1,598,911.00	16,469,991.52	-	18,068,902.52	-	-	-	-	18,068,902.52	1,598,911.00	
9	WATER METER	-	77,481.00	-	77,481.00	-	-	-	-	77,481.00	-	
10	WATER TANK	-	38,223.00	-	38,223.00	-	-	-	-	38,223.00	-	
11	ETP	-	2,244,314.58	-	2,244,314.58	-	-	-	-	2,244,314.58	-	
12	BATTERY	-	88,000.00	-	88,000.00	-	-	-	-	88,000.00	-	
13	LAB EQUIPMENT	-	482,024.00	-	482,024.00	-	-	-	-	482,024.00	-	
14	GENERATOR NEW	-	1,162,143.00	-	1,162,143.00	-	-	-	-	1,162,143.00	-	
15	GENERATOR - TRANSFERRED	1,862,038.00	-	-	1,862,038.00	-	514,677.00	-	514,677.00	1,347,361.00	1,347,361.00	
16	FURNITURE & FIXTURE	-	119,552.50	-	119,552.50	-	-	-	-	119,552.50	-	
17	COMPUTER	-	163,354.00	-	163,354.00	-	-	-	-	163,354.00	-	
<b>WORK IN PROGRESS - INTANGIBLE ASSETS</b>												
1	TRADE MARK & DESIGNS	788,520.00	51,500.00	-	840,020.00	-	-	-	-	840,020.00	788,520.00	
<b>TOTAL</b>		<b>236,591,987.57</b>	<b>205,237,780.91</b>	<b>-</b>	<b>441,829,768.48</b>	<b>-</b>	<b>3,356,022.18</b>	<b>1,109,397.36</b>	<b>4,465,419.54</b>	<b>437,364,348.94</b>	<b>233,239,965.39</b>	
<b>PREVIOUS YEAR</b>		112,021,888.17	124,570,099.40	-	236,591,987.57	-	1,872,710.18	1,483,312.00	3,356,022.18	233,235,966.39	110,149,177.99	



PARTICULARS	ANNEXURE	AMOUNT AS ON 31.03.2011 (Rs.)	AMOUNT AS ON 31.03.2010 (Rs.)
<b>SCHEDULE - VI : PRE-OPERATIVE EXPENSES</b>			
1	ADVERTISMENT EXPENSES	62,820.00	62,820.00
2	BUSINESS PROMOTION	41,636.50	41,636.50
3	WAGES & SALARY A/C	2,880,208.00	1,495,319.00
4	RENT	288,000.00	288,000.00
5	LEGAL & PROFESSIONAL CHARGES	1,521,275.00	549,275.00
6	CONSULTANCY CHARGES	344,986.00	214,836.00
7	POLLUTION EXPENSES	510,500.00	140,000.00
8	EXHIBITION CHARGES	22,500.00	22,500.00
9	SURVEY/TECHNICAL EXPENSES	239,000.00	239,000.00
10	PUBLIC HEARING & MEETING FEE	41,494.00	41,494.00
11	FESTIVAL EXPENSES	48,223.00	48,223.00
12	ELECTRICAL EXPENSES	2,618,658.00	2,244,055.00
13	EXCISE DUTY FEE	4,310,000.00	1,100,000.00
14	DIESEL	6,662,091.84	2,660,274.01
15	HIRE CHARGES-GENSET	637,573.00	428,645.00
16	SECURITY CHARGES	660,140.00	374,140.00
17	TEST CHARGES	23,151.00	12,805.00
18	LABOUR SECURITY	600,000.00	600,000.00
19	INTEREST ON TERM LOAN	12,385,572.00	2,855,396.00
20	INSURANCE	1,593,947.00	795,065.00
21	DONATION	125,000.00	-
23	FREIGHT & CARTAGE INWARD	4,500.00	-
25	PRINTING & STATIONERY	113,379.00	-
27	SUBSCRIPTION FEES	50,181.00	-
28	PURCHASE EXEMPT	1,456,457.00	-
29	PURCHASE 5%	1,680.00	-
	<b>TOTAL</b>	<b>37,242,972.34</b>	<b>14,213,483.51</b>

**SCHEDULE - VII : INVESTMENT**

INVESTMENT IN SHARES- UN-QUOTED			
1	EQUITY SHARE - AYUR HERBALS PVT. LTD.	15,000,000.00	15,000,000.00
	INVESTMENT IN LAND		
2	ADVANCE AGNST. LAND	130,000.00	130,000.00
	<b>TOTAL</b>	<b>15,130,000.00</b>	<b>15,130,000.00</b>

PARTICULARS	ANNEXURE	AMOUNT AS ON 31.03.2011 (Rs.)	AMOUNT AS ON 31.03.2010 (Rs.)
<b><u>SCHEDULE - VIII : CURRENT ASSETS</u></b>			
a) STOCK-IN-TRADE		7,904,674.91	8,980,710.32
	<b>TOTAL (a)</b>	<b>7,904,674.91</b>	<b>8,980,710.32</b>
b) SUNDRY DEBTORS			
OUTSTANDING FOR MORE THAN 6 MONTHS	I	26,187,519.17	3,953,915.93
OTHER THAN ABOVE (UNSECURED BUT CONSIDERED GOOD )		42,746,877.70	52,934,476.00
	<b>TOTAL (b)</b>	<b>68,934,396.87</b>	<b>56,888,391.93</b>
c) CASH & BANK BALANCES			
i) CASH - IN - HAND		5,456,457.39	3,159,653.39
ii) BALANCE WITH SCHEDULED BANKS :- IN CURRENT ACCOUNTS		79,033,962.50	13,172,232.82
	<b>TOTAL (c)</b>	<b>84,490,419.89</b>	<b>16,331,886.21</b>
d) OTHER CURRENT ASSETS :-			
INCOME TAX RECOVERABLE		172,382.00	312,854.00
SECURITY DEPOSITS	II	1,165,300.00	1,239,517.00
	<b>TOTAL (d)</b>	<b>1,337,682.00</b>	<b>1,552,371.00</b>
e) LOANS & ADVANCES :-	III	18,174,013.60	15,544,256.60
(UNSECURED BUT CONSIDERED GOOD RECOVERABLE IN CASH OR KIND OR FOR THE VALUE TO BE RECEIVED)			
	<b>TOTAL (e)</b>	<b>18,174,013.60</b>	<b>15,544,256.60</b>
	<b>TOTAL (a + b + c + d + e)</b>	<b>180,841,187.27</b>	<b>99,297,616.06</b>

**SCHEDULE - IX : CUREENT LIABILITIES**

SECURITY RECEIVED FROM CUSTOMERS	IV	2,370,226.00	1,408,036.00
ADVANCES RECEIVED FROM CUSTOMERS	V	49,988.90	60,128.90
SUNDRY CREDITORS	VI	158,750,003.06	156,534,348.96
EXPENSES PAYABLE	VII	1,296,215.84	3,305,170.31
DUTIES & TAXES	VIII	2,426,274.57	1,668,456.52
	<b>TOTAL</b>	<b>164,892,708.37</b>	<b>162,976,140.69</b>
PROVISIONS			
PROVISION FOR INCOME TAX		2,333,966.00	1,533,966.00
	<b>TOTAL</b>	<b>2,333,966.00</b>	<b>1,533,966.00</b>

PARTICULARS	ANNEXURE	AMOUNT AS ON 31.03.2011 (Rs.)	AMOUNT AS ON 31.03.2010 (Rs.)
<b>SCHEDULE - X : COST OF GOODS SOLD</b>			
COST OF GOODS SOLD			
OPENING STOCK		8,980,710.32	6,893,332.67
ADD:		88,675,815.65	100,601,625.09
LESS: CLOSING STOCK		7,904,674.91	8,980,710.32
NET COST OF GOODS SOLD		<u>89,751,851.06</u>	<u>98,514,247.44</u>
<b>SCHEDULE - XI : ADMN. &amp; ESTABLISHMENT EXP.</b>			
ADDITIONAL SALE TAX		-	2,000.00
ADDITIONAL GOODS TAX		275.00	3,415.00
ADVERTISEMENT EXPENSES		441,315.00	511,605.40
AUDIT FEES		30,000.00	20,000.00
BANK CHARGE		24,584.02	-
COMMISSION CHARGES		-	2,000.00
CONSUMABLE STORE		41,903.00	42,927.00
CONVEYANCE		30,280.00	62,710.00
DIRECTOR REMUNERATION		-	-
E.P.F		17,629.00	34,326.00
E.P.F. ADMIN CHARGES		-	4,607.00
ELECTRICITY CHARGES		225,060.00	353,603.00
FAX & COURIER CHARGES		-	1161.00
FEES & TAXES		77,233.00	54,473.00
FILING FEES		34,648.00	18,000.00
FIRE EXPENSES		21,629.00	5,625.00
FOREIGN TRAVELLING EXP.		-	-
FREIGHT & CARTAGE		107,511.00	157,658.00
INSURANCE		1,730.00	22,166.00
INTT. ON TERM LOAN		-	-
INTT. ON TDA		-	-
LEGAL & PROFESSIONAL CHARGES		184,753.00	275,554.00
MEETING EXPENSES		38,980.00	33,330.00
MISC. EXPENSES		15,997.40	8,950.00
POLLUTION CHARGES		6,100.00	19,730.00
PRINTING & STATIONERY		31,814.00	50,404.00
PROPERTY TAX		-	251,448.00
RENT		396,000.00	426,000.00
REPAIRS & MAINTENANCE (GENSET)		-	64,593.00
REPAIRS & MAINTENANCE		31,536.00	101,398.00
SALARY		-	216,000.00
SECURITY CHARGES		60,118.00	66,180.00
SERVICE TAX		904.00	787.00
SHORT & EXCESS RECOVERY		1,448.28	(3,608.75)
STAFF WELFARE		35,312.00	76,922.00
TELEPHONE EXPENSES		34,400.00	54,053.00
TRADE MARK REGD. & DESIGN		57,000.00	47,500.00
TRAVELLING EXPENSES		-	84,844.00
UNLOADING CHARGES		-	-
VEHICLE RUNNING & MAINT.		393,617.00	100,703.00
WAGES & SALARIES		885,529.00	2,391,023.00
WORKERS WELFARE EXPENSES		7,550.00	168.00
BAD DEBTS		-	-
SURCHARGE ON SALES TAX		4,538.00	-
AMT. WRITTE OFF		982.75	-
<b>TOTAL</b>		<u><u>3240376.45</u></u>	<u><u>5562254.65</u></u>

S.NO.	PARTICULARS	AMOUNT AS ON 31.03.2011	AMOUNT AS ON 31.03.2010
<b>SCHEDULE OF SUNDRY DEBTORS OUTSTANDING FOR MORE THAN 6 MONTH AS ON 31/03/2011</b>			<b>ANNEXURE - I</b>
1	ATAM MANAN & CO.-JAMMU	2041.00	2041.00
2	LUXMI TRADING CO.	0.00	84654.00
3	PANKAJ TRADING CO.-AMRITSAR	42111.87	360125.87
9	RAMDHAN MAKKAR	29867.00	29867.00
10	RDM CARE INDIA PVT. LTD.	66066785.00	56500960.00
11	SIMRAN ENTERPRISES	5565.75	5565.75
12	SHREE SAI ANAND SALES	25663.00	25663.00
13	A.S. TRADING CO.	4562.40	4459.40
14	HARVEEN AGENCY		1250.00
15	NEW MILK ICE CREAM	3722.85	32954.85
16	SUNNY ELECTRONIC		3996.31
17	S R G SALES AGENCIES	50128	
18	AAOJEE PASTRY & SWEETS	10670.00	10670.00
19	ALL HEAVEN RESTAURANTSPVT. LTD.	33901.00	33901.00
20	ASHOK PALACE	607.50	607.50
21	BRINT HOSPITALITY		325.00
22	CENTRAL BANK OF INDIA	315.00	315.00
23	CAVANDISH INC	112603.00	-
24	CTC MALL	6961.00	14251.00
25	CTC PLAZA	2101.00	-
26	FORTE GRAND	35602.00	1969.00
27	GGs DHARAMSHALA HEALTH RESORTS LTD.	30713.00	30713.00
28	HOTEL JAGEER PALACE		657.75
29	ING VYSYA BANK LTD.	1935.00	1935.00
30	PNB FIRE STN.	4000.00	2450.00
31	PUNJAB & SIND BANK	5599.00	3655.00
32	PUNJABI BAGH CLUB	2056.00	2056.00
33	RDM CARE INDIA PVT. LTD.	33315.00	16853.00
34	RED CHILLI	7200.00	7200.00
35	RED STONE COTTAGE	3501.00	-
36	S.S. FOOD	57610.00	13060.00
37	SS HOSPITALITY SERVICE INC	75263.00	-
38	SEVEN STAR	41225.00	41225.00
39	SILVER GRAND SERVICE	41601.00	-
40	SILVER SERVICE CATTERS	39755.00	-
41	THREE-N-PRODUCTS PVT. LTD.-KP	81101.00	39851.00
42	VINTAGE STUDIO PVT. LTD.	13238.00	7439.00
43	CAVANDISH INC	-	85650.00
44	CTC PLAZA	-	4202.00
45	FOOD DESIGN	-	29650.00
46	FOOD PLAZA KITCHEN EXPRESS	22275.00	22275.00
47	FORTE GRAND	1969.00	-
48	FOURTAIN HEAT MOTI PVT. LTD.	96875.00	45504.00
49	G.S. CONVENT	2276.00	2876.00
50	GLOBAG GURMIT	74254.00	-
51	KHUSADRA PLAY SCHOOL	12584.00	8939.00
52	KISHAN LAL & SONS	563.00	-
53	LAVANNIA FORM HOUSE	20291.00	20291.00
54	MITTAL HOTELS PVT. LTD.	36500.00	36500.00
55	N MART	24172.00	-
56	PRERANA MARKETING PVT. LTD.	-	68510.00
57	VATIKA COMPLEX	82180.00	131473.00

<b>S.NO.</b>	<b>PARTICULARS</b>	<b>AMOUNT AS ON 31.03.2011</b>	<b>AMOUNT AS ON 31.03.2010</b>
58	VATIKA COMPLEX PRAGATI MAIDAN	<b>180834.00</b>	–
59	VATIKA GRAND	–	8100.00
60	VISHWAKARMA MOTOR	<b>942.00</b>	673.00
61	RDM CARE INDIA PVT. LTD.-AHMEDABAD	<b>124,988.00</b>	
62	RDM CARE INDIA PVT. LTD.-BANGALORE	<b>23,270.00</b>	
63	RDM CARE INDIA PVT. LTD.-BHIWANDI		<b>303.00</b>
64	RDM CARE INDIA PVT. LTD.-CHENNAI		<b>21,181.00</b>
65	RDM CARE INDIA PVT. LTD.-CUTTACK		<b>8,145.00</b>
66	RDM CARE INDIA PVT. LTD.-DELHI	<b>138,304.00</b>	
67	RDM CARE INDIA PVT. LTD.-DHARWAD		<b>19,451.00</b>
68	RDM CARE INDIA PVT. LTD.-ERNAKULAM	<b>2,182.00</b>	
69	RDM CARE INDIA PVT. LTD.-GUWAHATI GK	<b>58,903.00</b>	13,635.00
70	RDM CARE INDIA PVT. LTD.-GUWAHATI KK	<b>12,726.00</b>	
71	RDM CARE INDIA PVT. LTD.-GZD.	<b>181,255.00</b>	
72	RDM CARE INDIA PVT. LTD.-GWALIOR		<b>18,180.00</b>
73	RDM CARE INDIA PVT. LTD.-HISSAR		<b>107,970.00</b>
74	RDM CARE INDIA PVT. LTD.-HYDERABAD	<b>24,998.00</b>	
75	RDM CARE INDIA PVT. LTD.-JAIPUR	–	
76	RDM CARE INDIA PVT. LTD.-JAMMU	<b>63,812.00</b>	
77	RDM CARE INDIA PVT. LTD.-KANPUR		<b>215,089.00</b>
78	RDM CARE INDIA PVT. LTD.-PARWANOO	<b>1,054,264.00</b>	
79	RDM CARE INDIA PVT. LTD.-KOLKATTA		<b>130,113.00</b>
80	RDM CARE INDIA PVT. LTD.-PATNA	<b>62,795.00</b>	
81	RDM CARE INDIA PVT. LTD.-PUNE	<b>70,493.00</b>	
82	RDM CARE INDIA PVT. LTD.-RAIPUR		<b>12,499.00</b>
83	RDM CARE INDIA PVT. LTD.-RISHIKESH	<b>35,733.00</b>	
84	RDM CARE INDIA PVT. LTD.-RANCHI		<b>85,047.00</b>
85	RDM CARE INDIA PVT. LTD.-RUDERPUR	<b>45,536.00</b>	
86	RDM CARE INDIA PVT. LTD.-SAHNEWAL	<b>68,939.00</b>	
87	RDM CARE INDIA PVT. LTD.-VIJAYWADA	<b>25,452.00</b>	
88	THREE-N-PRODUCTS PVT.LTD.	<b>33,451.00</b>	
89	RDM CARE INDIA PVT. LTD.-NAGPUR	<b>29,271.00</b>	11,090.00
		<b>70112609.37</b>	<b>57770038.43</b>
<b>LESS:</b>	RDM CARE INDIA PVT. LTD.-RISHIKESH	–	578.00
	RDM CARE INDIA PVT. LTD.-KOLKATTA	–	20.00
	RDM CARE INDIA PVT. LTD.-MUZAFARPUR	<b>28,324.00</b>	
	AYUR INTERNATIONAL	<b>266,400.00</b>	
	RDM CARE INDIA PVT. LTD.-	<b>873,431.00</b>	872,791.00
	FOOD PLAZA	<b>1800.00</b>	
	R.G. ENTERPRISE	<b>8257.50</b>	8257.50
		<b>1,178,212.50</b>	<b>881,646.50</b>
		<b>68,934,396.87</b>	<b>56,888,391.93</b>

S.NO.	PARTICULARS	AMOUNT AS ON 31.03.2011	AMOUNT AS ON 31.03.2010
<b>SCHEDULE OF OTHER CURRENT ASSETS AS ON 31/03/2011</b>			<b>ANNEXURE - I I</b>
	SECURITY		
1	ELETRICITY SECURITY	1,040,700.00	1,214,917.00
2	TELEPHONE SECURITY	24,600.00	24,600.00
3	EXCISE SECURITY	100,000.00	0
		<u>1,165,300.00</u>	<u>1,239,517.00</u>

<b>SCHEDULE OF LOANS &amp; ADVANCES AS ON 31/03/2011</b>			<b>ANNEXURE - I II</b>
1	SHIVAM COOLDRINKS PVT. LTD	15,846,945.60	14,283,576.60
2	ADVANCE TAX AY10-11	945,600.00	945,600.00
3	SELF ASSTT. TAX AY 09-10	144,600.00	144,600.00
4	GOODS IN TRANSIT	12,912.00	102,663.00
5	VAT INPUT 12.50%	28,743.00	67,817.00
6	SECURITY-DELHI	14,706.00	—
7	ADVANCE INCOME TAX AY 11-12	1,160,500.00	—
8	PREPAID INSURANCE	20,007.00	—
	<b>TOTAL</b>	<u>18,174,013.60</u>	<u>15,544,256.60</u>

<b>SCHEDULE OF SECURITY RECEIVED FROM CUSTOMERS AS ON 31/03/2011</b>			<b>ANNEXURE - I V</b>
1	SECURITY-JAR	14,000.00	14,000.00
2	TREHAN CONTRUCTION	619,868.00	327,490.00
3	ACE BUILDS PVT. LTD.	508,535.00	508,535.00
4	PACECON ENG. PVT. LTD.	—	107,460.00
5	BABA ENTERPRISES	136,069.00	86,870.00
6	RAINBOW ENGG. & CONTRACTOR	727,859.00	293,717.00
7	SAKSHI ENGG. PROJECTS	69,964.00	69,964.00
8	SAJ ENGINEERS & CONTRACTORS		<b>116,903.00</b>
9	SS CONTRUCTION	127,028.00	
10	THINK PURE	50,000.00	
	<b>TOTAL</b>	<u>2,370,226.00</u>	<u>1,408,036.00</u>

<b>SCHEDULE OF ADVANCES RECEIVED FROM CUSTOMERS AS ON 31/03/2011</b>			<b>ANNEXURE - V</b>
1	ASIAN TRADERS	2392	2392
2	ISHWAR CHAND SUBHASH CHAND	0	2258
3	PRAKASH TRADERS	38299.9	35146.9
4	SURY TRADERS	0	3535
5	VISHAL CHEMICAL	0	7500
6	SUNNY TRADING CO.	9297	9297
		<u>9297</u>	<u>9297</u>

S.NO.	PARTICULARS	AMOUNT AS ON 31.03.2011	AMOUNT AS ON 31.03.2010
<b>SCHEDULE OF SUNDRY CREDITORS AS ON 31/03/2011</b>			<b>ANNEXURE - VI</b>
1	ZENITH CHEMICAL & ALLIED INDS.	44,191.97	44,191.97
2	PEARLS OF BEAUTY-28	107,376,894.00	114,713,506.00
3	THREE-N-PRODUCTS PVT. LTD. -KP	2,587,512.98	2,295,739.98
4	THREE-N-PRODUCTS PVT. LTD. -MP	8,896,521.00	8,024,437.00
5	THREE-N-PRODUCTS PVT. LTD. -RN	9,845,896.00	10,468,880.00
6	LAXMI PAPERS	—	3,744,846.00
7	THREE-N-PRODUCTS PVT. LTD.-BHIWADI	421,804.00	—
8	APEX INDUSTRIES	82,920.00	58,035.00
9	GLAGA INTERNATIONAL	1,456,457.00	
10	BABA TOOLS & GASES	518.00	
11	GALAXY SURFACTANTS LTD.	—	4,932.00
12	ELITE PLASTIC PRODUCTS	110,073.00	
13	MASCOT ENGINEERING COMPANY	18,847.00	
15	REGAL CREATIVE PRODUCTS PVT. LTD.	—	74,059.00
18	S.H. KELKAR & CO. PVT. LTD.	—	46,370.00
19	SAINI ELECTRICAL		
20	SAHIJ INDUSTRIES	40,461.00	40,461.00
23	SPECHEM CELLULOSE PVT. LTD.	10,405.00	17,250.00
24	SHARMA & COMPANY	4,000.00	
27	THREE-N-PRODUCTS PVT. LTD.-KP		635,828.00
28	VISHNU ART PRESS	74,447.00	37,038.00
32	AKHNOOR PACKAGINGS (P) LTD.	—	453,020.00
33	APEX INDUSTRIES	—	202,444.00
34	AVEES BIOCOS PVT. LTD.	—	174,302.00
35	BHAGWATI PACKERS & PRINTERS	—	155,464.00
36	PEARLS OF BEAUTY (27)	364,376.00	
38	RAHUL ENTERPRISES	1,230.00	
39	CHEMIDYE AGENCIES	—	20,076.00
40	MALHOTRA AUTOMOTIVE COMPONENTS (P) LTD	—	65,637.00
41	NATIONAL FIRE TECH INDUSTRIES	5,129.00	81,600.00
42	PIOMA CHEMICALS	—	27,118.00
43	RIDDHI ENTERPRISES	19,309.00	19,309.00
44	VIKAS PLASTIC INDUSTRIES	84,573.00	84,573.00
45	WEENER EMPIRE PLASTICS LTD	—	102,663.00
		<b>131,445,930.95</b>	<b>141,591,779.95</b>

**B SCHEDULE OF OTHER CREDITORS AS ON 31/03/2011**

1	ENGINEERS LEAGUE INC.	16,398.00	16,398.00
2	RAINBOW ENGINEERS & CONTRACTORS	1,015,956.00	19,170.00
4	ACE BUILD (P) LTD.	—	756,130.00
6	TRADE MARK PROTEC CO.	—	17,000.00
7	VISHNU ART PRESS		20,986.00
8	SAKSHI ENGG. PROJECTS	—	367,686.00
9	HYPER FILTERATION PVT LTD.	720,691.00	—
10	MERCURY INDUSTRIES	26,000.00	26,000.00
11	JAGDABEY AGRO INDUSTRIES	241,400.00	—
12	MAGNA METAL & MILL STORE	892,062.31	9,203.00

<b>S.NO.</b>	<b>PARTICULARS</b>	<b>AMOUNT AS ON 31.03.2011</b>	<b>AMOUNT AS ON 31.03.2010</b>
13	MULTI WEIGHT INDIA PVT. LTD.	–	42,000.00
14	NARAYAN DASS BHARAT KUMAR	<b>1,569,167.00</b>	463,813.00
15	NEW AGGARWAL IRON STORE		
16	PERFECT ENGINEERS	<b>1,317,272.00</b>	2,817,272.00
17	POWERTECH SWITCHGEARS(I)PLTD.	<b>35,098.00</b>	
18	JAGDAMBA STEEL FURNITURE	<b>30,599.00</b>	
19	SHANDILYA TYAGI ROADLINES	<b>4,500.00</b>	
20	S.S. BOTMAC ENGINEERS PVT. LTD.		884,340.00
21	SUMMIT ADVERTISING	<b>1,824.40</b>	1,824.40
22	MAXWATT TURBINES PVT. LTD.	<b>95,630.00</b>	
23	DMAS ADV.& COMM. PVT. LTD.	<b>432,491.00</b>	474,725.00
24	GOEL IRON STORE		61,468.00
25	JAIN CHEMICO	<b>128,122.00</b>	–
26	PRAJ INDUSTRIES LTD.	<b>12,637,115.63</b>	33,811,357.74
27	TEHRAN CONTRUCTIONS	<b>488,423.00</b>	132,455.00
28	FOWLER WESTRUP (I) PVT. LTD.		360,388.31
29	JAIN MARBLES	<b>14,135.00</b>	–
30	CHEEMA BOILERS LIMITED		2,105,930.00
31	PACECON ENGG. PROJECTS LTD.	<b>827,260.70</b>	660,490.90
32	BABA ENTERPRISES		9,213.40
33	CHEEMA-ERECTION & COMM.	<b>40,875.00</b>	1,240,875.00
34	CHEEMA GRAM UDYOG SAMITI	<b>30,000.00</b>	30,000.00
35	ENVIRO SOLUTION	<b>408,210.00</b>	41,000.00
36	MAX ENGINEERING & MARKETING CO.	<b>34,329.00</b>	–
37	A.B.CONSTRUCTIONS	<b>3,148,565.50</b>	–
38	ACC CONCRETE LIMITED	<b>199,763.00</b>	–
39	ACE ENGINEERS & CONSULTANTS	<b>80,688.00</b>	–
40	AKAL CEMENT STORE	<b>29,000.00</b>	–
41	AMBIT SWITCHGEAR PVT. LTD.	<b>307,366.00</b>	–
42	APOLLO BATTERY & ALLIED PRODUCT	<b>22,999.00</b>	–
43	BANSAL IRON STORE	<b>5,675.00</b>	–
44	BHAWANI ELECTRICAL WORKS	<b>173,601.00</b>	–
45	CHEEMA BATTERY HOUSE	<b>19,000.00</b>	–
46	CHEM TECH INDIA	<b>73142.05</b>	–
47	CHEMPRO PUMPS	<b>710.24</b>	–
48	COMPUTEC CONCEPT	<b>122,323.00</b>	9,474.00
49	ECKO CABLES PVT. LTD.	<b>211,609.65</b>	–
50	ERECTION-KLOKSTAR ENG. PVT. LTD.	<b>148,905.00</b>	–
51	ERECTION-UNI FIRE SYSTEMS	<b>57,699.00</b>	–
52	FIT O FIT SEALS PVT. LTD.	<b>365.00</b>	–
53	ERECTION-FLOWER	<b>97,364.12</b>	–
54	GARG BRICKS COMPANY	<b>16,100.00</b>	–
55	GENERAL ENG. CORP	<b>1,607,500.00</b>	–
56	GENIUS PROTECTION SYSTEM PVT. LTD.	<b>32,130.00</b>	–
57	HARSHIT STONES	<b>23,862.00</b>	–
58	JANTA IRON STORE	<b>1,484.00</b>	–
59	J.B. STEEL TUBE CO.	<b>52,975.00</b>	–
60	KALINGA INTERNATIONAL	<b>28,432.00</b>	–
61	MAHAVIR PAINT STORE	<b>32,250.85</b>	–



<b>S.NO.</b>	<b>PARTICULARS</b>	<b>AMOUNT AS ON 31.03.2011</b>	<b>AMOUNT AS ON 31.03.2010</b>
62	MAHESH ENGG. WORKS	5,625.00	—
63	MARCK & CARE ENG. PVT. LTD.	64,952.00	—
64	NATUREGEN TECHNOLOGIES PVT. LTD.	941,377.00	—
65	NISHAN SINGH	2,000.00	—
66	P.K. ELECTRICALS	13,314.00	—
67	PREM ART	8,069.00	—
68	PREMIER INCORPORATE	33,293.00	—
69	PRINT PACK	61,565.00	—
70	RATTAN INDUSTRIAL INDIA PVT. LTD.	87,480.00	—
71	SAJ ENGINEERS & CONTRACTORS	625,242.61	—
72	SHARMA ELECTRICAL WORKS	95,429.00	—
73	SHRI RAM MARKETING	4,200.00	—
74	S.M. PAINT INDUSTRIES	143,820.00	—
75	SPOT TRADING CO.	12,742.00	—
76	SS CONTRUCTIONS	67,038.00	—
77	SUKHA SINGH CONTRACTOR	108,256.82	—
78	THE JAIN LOCK FACTORY	33,915.00	—
79	THERMOTECH ENG. CORP.STEAM PIPE	82,860.00	—
80	THUKRAL MACHINERY STORE	141,065.00	—
81	ULTRATECH CEMENT LTD.	1,100.00	—
82	UNI FIRE SYSTEMS	58,854.00	—
83	VAKIL AHMAD	49,821.87	—
84	VELTECH DIGITAL SERVICES	8,900.00	—
85	HILLER DECANTERS (I) PVT. LTD.	770.00	—
87	SHRI GANESH GRAM UDYOG SAMIT	334,680.00	—
88	ADHI SAKTHI PROJECTS	106,662.00	106,662.00
89	SHREE SAI ENGINEERING WORKS	13,260.00	13,260.00
91	B.M. PACKAGING	2,698.00	2,698.00
92	CORPORATE DETECTIVE AND SECURITYM SERVICES	—	5,405.00
94	AGRAWAL TRANSLINK CORPRATION	—	3,524.00
95	BABA TOOLS & GASES	—	670.00
96	PEARLS OF BEAUTY(27)	—	220,376.00
97	PURAN ENTERPRISES	—	17,045.00
		<b>30,610,057.75</b>	<b>44,748,839.75</b>
<b>LESS:</b>	<b>ADVANCES PAID TO SUPPLIERS AS ON 31/03/2011</b>		
1	LAXMI TRADING CO.	25,393.00	25,393.00
2	RAINBOW ENGINEERS & CONTRACTORS		
3	AGGARWAL PUMPS & PIPES	12,827.00	12,827.00
4	AMBUJA CEMENT LTD.	4,300.00	4,300.00
5	D.K. INDUSTRIES	41,496.00	41,496.00
6	GRASIM CEMENT	440,340.00	440,340.00
7	THEMOTECH ENG. CORP.	730.00	1,164,320.00
8	ADVANCES PAID	35,000.00	
9	ACE BUILDS PVT. LTD.	1,302,154.00	1,058,284.00
10	BABA ENTERPRISES		
11	CHEEMA BOILERS LIMITED	407,450.00	2,895,000.00
12	ELINA SOLUTION PVT. LTD.	552,500.00	1,440,000.00

S.NO.	PARTICULARS	AMOUNT AS ON 31.03.2011	AMOUNT AS ON 31.03.2010
13	HSBC ELECTRO HITECH PVT. LTD.	49,023.00	
14	PEACECON ENGS PROJECTS LTD.	129,420.00	1,079,190.00
15	WALIA TRADING CO.	157,760.00	
16	PRAJ INDUSTRIES LTD (AGAINST MACHINERY)	35,160.04	17,851,813.74
17	HILL DECANTERS	—	900,000.00
19	HYPER FILTRATION PVT. LTD.	—	600,000.00
20	MAXWATT TURBINES PVT. LTD.	—	1,500,000.00
21	RAMAN ENTERPRISES	30,700.00	50,000.00
22	SOLUTION	—	2,500.00
23	SURKHMAMI ENG. WORKS	—	220,000.00
24	VARDHAMAM INDUSTRIES LTD.	—	27,061.00
25	GENERAL ,ENGG. CORPORATION	—	450,000.00
26	BABA ENTERPRISES	29,145.60	—
27	DEEPAK SALES CO.	17,997.00	—
28	JAY & KAY ASSOCIATES	25,590.00	—
29	RAHUL ENTERPRISES	—	36,535.00
30	SUBHASH CHEMICAL INDUSTRIES	9,000.00	—
31	SHIVAM COOLDRINKS PVT. LTD.	—	7,211.00
		<b>3,305,985.64</b>	<b>29,806,270.74</b>
	<b>NET TOTAL (C-D)</b>	<b>158,750,003.06</b>	<b>156,534,348.96</b>

**SCHEDULE OF EXPENSES PAYABLE ACCOUNT AS ON 31/03/2011**

**ANNEXURE - VII**

	AUDIT FEE PAYABLE	30,000.00	92,657.00
1	BEETAL FIN. & COMPUTER SERV. P. LTD.	8,071.00	27,079.80
2	DELHI STOCK EXCHANGE		
3	DIRECTOR REMUNERATION PAYABLE		1,951,155.00
4	DWARKA DASS & SONS	257,566.84	11,240.51
5	FBT PAYABLE		
6	LUDHIANA STOCK EXCHANGE		
7	NTCON		
8	PREET SECURITY & SAFETY	1,128.00	21,128.00
9	R.S. BHATIA	119,124.00	49,270.00
10	SALARY & WAGES PAYABLE	758,352.00	1,016,860.00
11	T.D.S & EDC PAYABLE		
12	HARISH KUMAR	6,006.00	6,006.00
13	WELLWISH PRINTERS		
14	PROFESSIONAL FEES PAYABLE	31,000.00	34,000.00
15	MARVEL CONSULTANT		20,000.00
16	MAHESH SACHDEVA	20,000.00	20,000.00
17	FLY OVER SECURITY & SAFETY	45,485.00	
18	ELECTRICITY CHARGES	17,804.00	34,131.00
19	E.P.F. PAYABLE	1,679.00	17,701.00
20	TELEPHONE EXPENSES		3,942.00
21			
	<b>TOTAL</b>	<b>1,296,215.84</b>	<b>3,305,170.31</b>

S.NO.	PARTICULARS	AMOUNT AS ON 31.03.2011	AMOUNT AS ON 31.03.2010
<b>SCHEDULE OF DUTIES &amp; TAXES PAYABLE AS ON 31/03/2011</b>			<b>ANNEXURE - VIII</b>
1	CENTRAL SALE TAX 13.75%	<b>17,443.00</b>	14,848.76
2	INPUT	<b>(9,455.97)</b>	(2,644.90)
3	OUTPUT VAT	<b>978,068.00</b>	297,211.45
4	TDA PAYABLE	<b>331,736.00</b>	450,382.00
5	TDS PAYABLE	<b>(375.00)</b>	148,506.00
6	TDS PAYABLE-194C	<b>209,927.00</b>	141,795.00
7	TDS PAYABLE-194J	<b>726,254.80</b>	512,077.80
8	TDS PAYABLE-194I	<b>3,819.00</b>	13,854.00
9	TDS PAYABLE	<b>14,610.00</b>	2,110.00
10	CENTRAL SALE TAX 12.50%	<b>900.00</b>	900.00
11	OUTPUT 12.50%	<b>180,835.29</b>	89,348.41
12	CENTRAL SALE TAX 2%	<b>449.00</b>	68.00
13	OUTPUT VAT	<b>3,193.45</b>	
14	ENTRY TAX	<b>(31,130.00)</b>	
	<b>TOTAL</b>	<b>2,426,274.57</b>	1,668,456.52

**SCHEDULE – XII**

**Significant Accounting Policies and Notes on Accounts for the Year ended 31st March 2011**

**1. Accounting Conventions:**

- (i) The financial statement are prepared under the historical cost convention, in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956, with revenue recognised and expenses accounted on accrual basis unless otherwise stated.
- (ii) Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principle.
- (iii) The disclosures made in the accounts are based on the concept of materiality of the transactions involved.

**2. Fixed Assets:**

Fixed Assets of the company were stated at cost of acquisition less accumulated depreciation. Cost is inclusive of freight, duties, levies, any directly attributable cost of bringing the assets to their working condition for their intended use.

**3. Use of Estimates:**

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of the assets and liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Differences between actual and estimates are recognized in the period in which results get materialized.

**4. Revenue Recognition:**

Revenue/Income from sale of traded goods is recognized on dispatch of goods. Sales are exclusive of Sales Tax, whichever applicable.

Interest on deployment of funds is recognized on accrual basis. Dividend income is recognized on receipt. Profit on sale of investment is recognized on sale of investment.

**5. Depreciation:**

Depreciation on fixed assets has been charged on Diminishing Balance Method at the rates prescribed in Schedule – XIV of the Companies Act, 1956, as amended in 1993. Depreciation on additions was charged on pro-rata basis relating to the period of use of such assets.

**6. Inventories:**

All the stocks were valued by the management at cost or net realized value whichever is less.

**7. Investment:**

Investments are stated at cost.

**8. Gratuity:**

No Provision has been made for Gratuity during the year as the same is being accounted for on cash basis.

**9. Earned Leave:**

No Provision for earned leave has been made in the accounts for the year. It will be charged to revenue as and when paid.

**10. Contingent Liabilities:**

- i) In respect of tax matters: NIL
- ii) Claims lodged against the company but not acknowledged as debts and pending in the Court of Law- NIL
- iii) In accordance with the transitional provisions of AS-22, the deferred tax liability of Rs.2400000/- has been provided during the year. The break-up is as follows:

<b>Particulars</b>	<b>Amount in Rs.</b>
Deferred Tax Liability As on 01-04-2010	11,17,870.00/-
Provision for Deferred Tax made during the year	12,82,130.00/-
Deferred Tax Liability as On 31-03-2011	24,00,000.00/-

**11. Reportable Segment – Business Segment**

	<b>Cosmetics</b>	<b>Mineral Water</b>	<b>Other Operations/ Unallocated</b>	<b>Total</b>
	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>	<b>Rs.</b>
<b>Segment Revenue</b>				
External Sales	86,085,112.43	10,712,334.65	0	<b>96,797,447.08</b>
Other Income	0	0	98,930.69	<b>98,930.69</b>
Total	86,085,112.43	10,712,334.65	98,930.69	<b>96,896,377.77</b>
<b>Segment Results</b>				
Segment Results	5,356,162.52	1,577,142.64	98,930.69	<b>7,032,235.85</b>
Unallocated Corporate				
Expenses	–	–	(4,237,482.95)	<b>(4,237,482.95)</b>
Operating Profit	–	–	0	<b>0</b>
Income Tax/ FBT/Deferred Tax				
	–	–	(2,082,130.00)	<b>(2,082,130.00)</b>
Profit from Ordinary Activities/Net Profit	5,356,162.52	1,577,142.64	(6,220,682.26)	<b>712,622.90</b>
<b>Other Information</b>				
<b>Segment Assets</b>	<b>Cosmetics</b>	<b>Water</b>	<b>Unallocated Corporate Liab.</b>	<b>Total</b>
Fixed Assets (including WIP & Capital Expenditure to the Extent not Capitalized)				
	6,157,182.42	556,236.14	430,650,930.38	<b>437,364,348.94</b>
Expenditure pending Allocation			37,242,972.34	<b>37,242,972.34</b>
Other Assets	77,021,620.41	1,415,493.87	117,534,072.99	<b>195,971,187.27</b>
Segment Liabilities				
Secured Loan			193,000,000.00	<b>193,000,000.00</b>
Unsecured Loan	–	–	184,990,123.01	<b>184,990,123.01</b>
Share Capital & Reserve-Surplus			122,961,711.17	<b>122,961,711.17</b>
Deferred Tax Liability			2,400,000.00	<b>2,400,000.00</b>
Other Liability	24,724,251.12	63,527,237.26	78,975,185.99	<b>167,226,674.37</b>

A. Quantity wise Sales of Cosmetic Products & Mineral water are effected as follows

	<b>Cosmetic Products</b>	<b>Mineral water</b>
Ludhiana Unit	3,338,142.00/-	
Baddi Unit	559,254.00/-	
Delhi Unit		24,95,397.00/-
Lalru Unit		23,55,085.00/-

B. Assets & Liabilities relating to Income Tax have not been included in above figures

C. While preparing segment report as above only income, expenditure, assests and liabilities pertaining to concerned segments have been taken into consideration.

D. Geographical segment has not been given as the company is not working in a separate economic environment which has effect on risk and return, which are different from the one in which the company is presently working.

**12. Related Party Disclosures:**

As per Accounting Standard 18, the disclosure of Related Parties and transactions since previous year are given below:

**Nature of transaction Amount**

<b>i) Purchases:</b>	
SHIVAM COOL DRINKS PVT. LTD.	Rs. 9,037,536.00/-
PEARLS OF BEAUTY (FIRM)	Rs.56,469.802/-
THREE-N-PRODUCTS PVT LTD	Rs. 18,220,509.00/-
NARANG BROS.(FIRM)	Rs. 0.00/-
<b>ii) Sales:</b>	
R.D.M. CARE INDIA PVT. LTD.	Rs.84662372.43/-
AYUR INTERNATIONAL	Rs. 117,144.00/-
<b>iii) Rent:</b>	
PEARLS OF BEAUTY (FIRM)	Rs. 2,40,000.00/-
DILVINDER SINGH NARANG	Rs. 24,000.00/-
<b>iv) Directors Remuneration</b>	<b>Rs. 0.00/-</b>
<b>v) Unsecured Loan</b>	
RDM CARE INDIA PVT LTD	Rs. 60,000,000.00/-
THREE-N-PRODUCTS PVT. LTD	Rs. 19,000,000.00/-
MANMINDER SINGH NARANG	Rs. 79,000,000.00/-
THREE-N-CONSTRUCTION PVT. LTD.	Rs. 35,000,000.00/-

13. Information pursuant to Part II of Schedule VI of the Companies Act, 1956 have been given below to extent the same are applicable to the Company)

**a. PARTICULARS IN RESPECT OF OPENING STOCK, PURCHASES, SALES AND CLOSING STOCK**

Opening Stock	Rs. 8,980,710.32/-
Purchases during the year	Rs. 88,675,815.65/-
Sales during the year	Rs. 89,751,851.06/-
Closing Stock (Quantitative Details as per Annexure-I)	Rs. 7,904,674.91/-

**b. VALUE OF IMPORT CALCULATED ON CIF BASIS:- NIL**

**c. EXPENDITURE AND EARNING IN FOREIGN CURRENCY:-**

- i) EXPENDITURE: NIL
- ii) EARNING : NIL

d. Since no managerial remuneration has been paid u/s 198 of Companies Act, 1956. So statement of computation of Net profit u/s 198 is not applicable on the Company.

**e. INTEREST ON UNSECURED LOAN FROM DIRECTORS AND THEIR RELATED CONCERNS**

The company received the Interest waiver confirmation from the directors and other related concerns for nonpayment of Interest.

14. In the absence of information regarding sundry creditors with regard to their status as Small Scale Industrial Undertakings, it is not possible to determine the amount, if any, payable to sundry creditors falling within the meaning of Small Scale Industrial Undertaking.

15. Previous years figures have been regrouped / re-arranged wherever necessary.

16. In the opinion of the management, the current assets, Loans & Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

17. The Provision for Income Tax & Fringe Benefit Tax has been made as follows:

Against Income Tax	Rs. 800,000.00/-
Against Fringe Benefit Tax	Rs. Nil

**18. AUDITOR'S REMUNERATION**

A Sum of Rs.30,000/- was payable against the Statutory Auditor's Remuneration as follows :

(a) As Auditor under Companies Act. 1956	Rs. 20,000.00/-
(b) As Auditor under Income Tax Act, 1961	Rs. 10,000.00/-
<b>TOTAL :</b>	<b>Rs. 30,000/-</b>

19. Abstract as per Part IV of Schedule VI is separately enclosed.  
(As per Annexure-II)

**Annexure-I**

Quantitative Details in pursuance to the requirement under the Companies Act, 1956 are as:

	<b>Cosmetics Qty.</b>	<b>Value (Rs.)</b>	<b>Mineral Water Qty.</b>	<b>Value (Rs.)</b>
(a) Opening Stock	3332615.33	8931117.17	27992	49593.15
(b) Purchase during the year	792241.00	79645174.65	4851906	9030641
(c) TOTAL (a+ b)	4124856.33	88576291.82	4879898	9080234.15
(d) Sales during the year	1434607.41	80708980.91	4863640	9042870.15
Closing Stock ( c – d )	2690248.92	7867310.91	16258	37364

As Per Our Separate Audit Report of Even Attached

**ON BEHALF OF THE BOARD**

FOR NUWAY ORGANIC NATURALS INDIA LTD.

**For Shanti Prashad & Co.**  
Chartered Accountants

**Sd/-**  
**(Satish Agarwal)**  
Partner  
M No. 505969/ FRN 019923N

**Sd/-**  
**(Manminder Singh Narang)**  
Managing Director

**Sd/-**  
**(Rosy Arora)**  
Director

**Sd/-**  
**(Amit Shekhar)**  
Company Secretary

Place : Delhi  
Dated: 02/09/2011

**INTEGRAL PART OF SCHEDULE - VIII OF THE BALANCE SHEET AND PROFIT & LOSS A/C  
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

**Annexure - II**

**I. REGISTRATION DETAILS**

REGISTRATION NO.	<input type="text" value="16,755"/>	STATE CODE	<input type="text" value="16"/>
BALANCE SHEET DATE	<input type="text" value="31.03.2011"/>		

**II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSANDS)**

PUBLIC ISSUE	<input type="text" value="NIL"/>	RIGHT ISSUE	<input type="text" value="NIL"/>
BONUS ISSUE	<input type="text" value="NIL"/>	PRIVATE PLACEMENT	<input type="text" value="NIL"/>

**III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RS. THOUSANDS)**

TOTAL LIABILITIES	<input type="text" value="503352"/>	TOTAL ASSETS	<input type="text" value="503352"/>
<b>SOURCE OF FUNDS</b>		<b>RESERVES &amp; SURPLUS</b>	
PAID UP CAPITAL	<input type="text" value="115406"/>	UNSECURED LOANS	<input type="text" value="193000"/>
SECURED LOANS	<input type="text" value="184990"/>		
<b>APPLICATION OF FUNDS</b>		<b>INVESTMENTS</b>	
NET FIXED ASSETS	<input type="text" value="437364"/>	MISC EXPENDITURE	<input type="text" value="37243"/>
NET CURRENT ASSETS	<input type="text" value="(13615)"/>		
ACCUMULATED LOSSES	<input type="text" value="NIL"/>		

**IV. PERFORMANCE OF COMPANY (AMOUNT IN ₹ THOUSANDS)**

TURNOVER	<input type="text" value="96797"/>	TOTAL EXPENDITURE	<input type="text" value="94101"/>
PROFIT / LOSS BEFORE TAX	<input type="text" value="2794"/>	PROFIT / LOSS AFTER TAX	<input type="text" value="712"/>
EARNING PER SHARE (IN RS.)	<input type="text" value="0.135"/>	DIVIDEND%	<input type="text" value="00"/>

**V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY (As per monetary terms)**

PRODUCT DESCRIPTION	ITEM CODE NO.
COSMETICS	<input type="text"/>
MINERAL WATER	<input type="text"/>

**For Shanti Prashad & Co.**

Chartered Accountants

**Sd/-**  
**(Satish Agarwal)**

Partner  
Place : Delhi

Dated: 02/09/2011

**Sd/-**  
**(Manminder Singh Narang)**  
Managing Director

**Sd/-**  
**(Rosy Arora)**  
Director

**Sd/-**  
**(Amit Shekhar)**  
Company Secretary



**CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED ON 31.03.2011**

PARTICULARS	AMOUNT IN (Rs.)	TOTAL IN (Rs.)
<b>(A) Cash Flow From Operating Activities</b>		
Net Profit before Provision for Taxation		27,94,753
Adjusted for:		
Depreciation	11,09,397	
Interest received	-	
Interest & Financial Charges	-	11,09,397
		<u>39,04,150</u>
Operating Profit before Working Capital Changes		
Adjusted for:		
Trade and other receivables	(1,20,46,005)	
Loan & Advances	(24,15,068)	
Inventories	10,76,035	
Current Liabilities	19,16,568	
Provisions (Excluding Provision for Tax)	-	(1,14,68,470)
		<u>(75,64,320)</u>
Cash Generated from Operations		(75,64,320)
Net Cash Flow from Operating Activities		<b>(75,64,320)</b>
<b>(B) Cash From Investing Activities</b>		
Purchase of Fixed Assets	(20,52,37,781)	
Increase in CWIP/ Expenses Pending Capitalisation	(2,30,29,489)	
Sale of Fixed Assets	-	
Interest Income	-	(22,82,67,270)
		<u>(22,82,67,270)</u>
Net Cash Flow From Investing Activities		<b>(22,82,67,270)</b>
<b>(C) Cash From Financial Activities</b>		
Proceeds of Secured Loan	18,49,90,123	
Proceeds of Unsecured Loans	11,90,00,000	30,39,90,123
		<u>30,39,90,123</u>
Net Cash Flow From Financing Activities		<b>30,39,90,123</b>
NET INCREASE IN CASH OR CASH EQUIVALENTS (A+B+C)		<b>6,81,58,534</b>
I. Cash & Cash Equivalent on 31.3.2010	1,63,31,886	
II. Cash & Cash Equivalent on 31.3.2011	8,44,90,420	
		<u><u>6,81,58,534</u></u>
NET INCREASE IN CASH & BANK ( II - I)		<b>6,81,58,534</b>

**Notes:**

- Cash flow statement has been prepared under the indirect method as set out in Accounting Standard-3 notified by Company's Act 1956.
- Cash and equivalents represent cash and bank balances.

This is the Profit & Loss A/c referred to in our report of even date.

**For Shanti Prashad & Co.**  
Chartered Accountants

Sd/-  
**(Satish Agarwal)**  
Partner  
Place : Delhi  
Dated: 02/09/2011

Sd/-  
**(Manminder Singh Narang)**  
Managing Director

Sd/-  
**(Rosy Arora)**  
Director

Sd/-  
**(Amit Shekhar)**  
Company Secretary

**ON BEHALF OF THE BOARD**  
FOR NUWAY ORGANIC NATURALS INDIA LTD.



**NUWAY ORGANIC NATURALS INDIA LTD.**

Regd. Office : 22, Pratap Colony, Model Gram, Ludhiana (Punjab)

**PROXY FORM**

Regd. Folio No .....

I/We.....

of.....being a Member / Members

of NUWAY ORGANIC NATURALS INDIA LTD. hereby appoint.....

of.....or

failing him / her,.....of.....as

my / our proxy to vote for me/us on my / our behalf at the **16TH ANNUAL GENERAL MEETING** of the Company to be held on Friday, the 30th September, 2011 at 10.00 A.M. and at any adjourment thereof.

Signed this .....day of.....2011.

Signature .....

Affix Rs.1  
Revenue  
Stamps

**Note :** This form in order to be effective should be duly stamped, completed and signed and must be deposited of the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.



**NUWAY ORGANIC NATURALS INDIA LTD.**

Regd. Office : 22, Pratap Colony, Model Gram, Ludhiana (Punjab)

**ATTENDANCE SLIP**

TO BE HANDEOVER AT THE ENTRANCE OF MEETING HALL, 16TH ANNUAL GENERAL MEETING-27TH SEPTEMBER, 2010

I/We hereby record my / our presence at the **16TH ANNUAL GENERAL MEETING** of the Company to be held on Friday, the 30th September, 2011 at 10.00 A.M. at the Regd. office of the Company at 22, Pratap Colony, Model Gram, Ludhiana (Punjab)

Name of Share holder/Proxy\* L.F. No

Address .....

No.of shares held .....

\*Strike out which ever is not applicable

Signature of Member / Proxy

# BOOK POST

*If undelivered please return to:*

**NUWAY ORGANIC NATURALS INDIA LTD.**

Regd. Office: 22, Pratap Colony,  
Model Gram, Ludhiana (Punjab)