

NUWAY ORGANIC NATURALS INDIA LTD.

18th

**Annual Report
2012-2013**



BOARD OF DIRECTORS

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

AUDITORS

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

REGISTERED OFFICE

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

REGISTRAR AND SHARE TRANSFER AGENT

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

18TH ANNUAL GENERAL MEETING

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

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NOTICE

To,

The Members,

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

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2013, and Profit & Loss Account of the Company for the year ended 31st March, 2013 and the Reports of the Directors' and Auditor's thereon.
2. To appoint a Director in place of Mrs. Ginny Singh, who retires by rotation, and being eligible, offers herself for re-appointment.
3. To appoint M/s. Shanti Prashad & Co., Chartered Accountants, bearing FRN. 019923N, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By order of the Board

For NUWAY ORGANIC NATURALS (INDIA) LTD

Place : Delhi

Date : 24/08/2013

Sd/-

Manminder Singh Narang

Chairman & Managing Director

NOTES:

1. ***A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED.***
2. ***MEMBERS/PROXIES SHOULD BRING THE ATTENDANCE SLIP DULY FILLED IN FOR ATTENDING THE MEETING.***
3. The Register of Members and Share Transfer Book of the Company will remain closed from 17th September, 2013 to 19th September, 2013 (both days inclusive).
4. As a measure of economy, copies of the Annual Report and accounts will not be distributed at the Meeting. Members are therefore, requested to bring their copies to the meeting.
5. Members are requested to produce the attendance slip duly signed, sent along with the annual report and accounts, for admission to the meeting hall.
6. Members who are holding share in identical order or names in more than one folio are requested to write to the Company to enable the company to consolidate their holding in one folio.
7. Any member requiring further information on accounts at the meeting is requested to send their queries in writing to the Managing Director of the Company at least seven days before the AGM.
8. Shareholders may kindly note that no gifts/coupons will be distributed at the Annual General Meeting.
9. All the documents referred to in the accompanying notice, explanatory statement and the register of Directors shareholding and the register of Contracts maintained under section 307 and 301 of the Companies act, 1956 respectively are open for inspection at the Registered Office of the Company during office hours on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.
10. All members are requested to make their correspondence relating to the shares in physical and demat to our Share Transfer Agent i.e. BEETAL Financial & Computer Services (P) Limited 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062.

By order of the Board

For NUWAY ORGANIC NATURALS (INDIA) LTD

Place : Delhi

Date : 24/08/2013

Sd/-

Manminder Singh Narang

Chairman & Managing Director

DIRECTORS' REPORT

To,
The Members,
NUWAY ORGANIC NATURALS INDIA LTD

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

FINANCIAL HIGHLIGHTS

Figures (In Rs.)

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

CORPORATE OVERVIEW

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

DIVIDEND

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

PERFORMANCE

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

FUTURE OUTLOOK

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

MATERIAL CHANGES

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

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

PUBLIC DEPOSITS

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

AUDITORS' REPORT

Auditors Report is annexed to the Balance Sheet attached in this Annual Report and there is no adverse qualification in the Auditors' Report, which needs to be clarified.

AUDITORS

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

DIRECTORS

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

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

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

All the Directors of the Company have confirmed in written, that they are not disqualified for being appointed / re-appointed as Director in terms of Section 274 (1)(g) of the Companies Act, 1956.

DIRECTOR'S RESPONSIBILITY STATEMENT

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

- i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) that the directors had prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

PARTICULARS OF EMPLOYEES

There was no employee receiving remuneration during the year in excess of limits prescribed u/s 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended in 2011.

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

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

CONSERVATION OF ENERGY

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

RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

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

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

PARTICULARS	Year Ended 31.03.13	Year Ended 31.03.12
Foreign Exchange Earning	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

EMPLOYEES RELATIONS

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

LISTING

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

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

Further, listing fee for the financial year 2013-14 has been paid to BSE.

ACKNOWLEDGEMENT

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

Place : Delhi
Date : 24/08/2013

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

Sd/-
Manminder Singh Narang
Chairman & Managing Director

COMPLIANCE CERTIFICATE

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

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

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

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

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

Place : Ghaziabad

Date : 24/08/2013

for **NISHI TALWAR & ASSOCIATES**

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

ANNEXURE 'A'

Statutory Registers as maintained by the Company

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

Annexure-B

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

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

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Industrial Scene:

Presently your company is engaged in the manufacture of cosmetics products and vodka in India. It also involves in trading Cosmetics, Bottled soda, and Potable water.

Indian cosmetics industry has witnessed strong growth during the past few years and has emerged as one of the industries holding immense future growth potential. The cosmetics industry registered impressive sales worth Rs 422.3 Billion (US\$ 9.3 Billion) in past recent years. The sector has mainly been driven by improving purchasing power and rising fashion consciousness of the Indian population. Moreover, the industry players are readily spending on the promotional activities to increase consumer awareness.

According to this new research report "Indian Cosmetic Sector Analysis (2009-2012)", Indian cosmetics sector is expected to witness noteworthy growth rate in near future, owing to the rising beauty concerns of both men and women. The industry holds promising growth prospects for both existing and new players. To support this evidence, we have done an extensive analysis of various segments of the cosmetics industry, keeping in view both the services and products sector. The baseline for the optimistic future outlook of the Indian cosmetics industry is that, there has been a rise in variety of products offered by the industry players. Rising usage of Cosmeceuticals by the Indian consumers will also pave way for the Indian cosmetics market during the forecast period.

This new research report incorporates an extensive research and rational analysis of the cosmetics industry in India. It provides segment level analysis of the industry along with the emerging trends that may shape up with the betterment of economic conditions. The research will help consultants, industry analysts, and vendors to get in-depth knowledge of the current, past, and future performance of the industry. The report also provides information regarding consumer behavior, particularly men and rural population, with regard to cosmetic products.

Financial Outlook

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

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 is doing commercial production of cosmetic products from the plant situated at Baddi, in Himachal Pradesh. Further, Production of Liquor at Rajpura Plant is steadily increasing to cater to increased demand due to good acceptability of company's products. Company has also forayed into the nearby territories of Delhi & Himachal Pradesh & hope to increase its presence in these territories & explore further new territories. 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 immovable 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 utilize their full potential and grow in the organization. There was no strike or labour unrest during the last financial year. The Company regards its human resources as amongst its most Valuable assets and proactively reviews policies and processes by creating a work environment that encourages potential of its employees attracting and retaining the best manpower available by providing high degree of motivation, Training and structured compensation was the main thrust of the Human Resources Department this degree of motivation, training and structured compensation was the main thrust of the Human Resources Department this year.

Your Company belief in thrust, transparency & teamwork to improve employee's productivity at all levels.

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 and 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 31.03.2013 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	6	Yes
Mrs. Rosy Arora	Non Promoter Non Executive Independent Director	Director	9	9	5	Yes
Mrs. Anchal Narang	Promoter Non executive Director	Director	9	9	4	Yes
Mrs. Ginny Singh	Non Promoter Non Executive Independent Director	Director	9	9	2	Yes

Since, Mr. Ashok Kumar was appointed as additional directors on 13.11.2006 and regularised by the Members in the Annual General Meeting (AGM) on 29.09.2007 and have resigned with effect from 05.06.2013, his name was not included in the above table.

3. Board Meetings

During the financial year 2012-13, 9 (Nine) meetings of Board of Directors were held. These were held on 14.05.2012, 30.05.2012, 17.07.2012, 10.08.2012, 27.08.2012, 31.08.2012, 22.09.2012, 10.11.2012, 15.02.2013. 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 feedback 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 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.

Four meetings of the Audit Committee were held during the year as the requirement of minimum four meetings. The meetings were held on 30-05-2012, 10-08-2012, 10-11-2012 & 15-02-2013.

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	Chairman	Non-Executive Independent Director	4	4
Mrs. Ginny Singh	Member	Non-Executive Independent Director	4	4
Mrs. Anchal Narang*	Member	Non-Executive Promoter Director	4	1
Mrs. Daisy Singh*	Member	Non-Executive Promoter Director	4	3

*Due to resignation of Mrs. Daisy Singh w.e.f. 08.12.2012, Mrs. Anchal Narang has been appointed as new Member, in place of Mrs.Daisy Singh, of the Audit Committee from the said date.

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, no appointment of Director at remuneration is made; hence there is no requirement of Remuneration Committee. The same shall be reconstituted as and when required.

Reconstitution of Remuneration Committee

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

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 during the financial year 2012-13.

Details of Remuneration paid to Directors

a) Executive Directors

No Remuneration was paid for the year ended March 31, 2013 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, Mrs. Rosy Arora, Mrs. Ginny Singh & Mrs. Anchal Narang. 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	27.09.2010	AGM	22, Pratap Colony, Model Gram, Ludhiana-02	10.00 A.M.	No S.R.
2	28.02.2011	EGM	22, Pratap Colony, Model Gram, Ludhiana-02	10.00 A.M.	No S.R.
3	30.09.2011	AGM	22, Pratap Colony, Model Gram, Ludhiana-02	10:00 A.M.	SR u/s 269 & 316 of Companies Act was passed
4	26.10.2012	EGM	Eagle Motel, Rajpura Town, District Patiala, Punjab- 140401	10:00 A.M.	SR u/s 81 (1) (a) of the Companies Act to Issue of Equity Shares on Preferential Basis
5	08.12.2012	AGM	Eagle Motel, Rajpura Town, District Patiala, Punjab- 140401	10:00 A.M.	No S.R.

During the Financial Year 2012-13, the Company had obtained Shareholders approval by means of special resolution, passed in Extra ordinary Meeting (EGM) held on October 26, 2012, in terms of Section 81 (1)(a) of the Companies Act, 1956, the allotment of 4614100 equity shares on preferential basis to the following allottees:

S. No.	Name	Numbers of Shares	Address
1	Manminder Singh Narang	499000	46/78, PUNJABI BAGH WEST NEW DELHI-26
2	Anchal Narang	499000	46/78, PUNJABI BAGH WEST NEW DELHI-26
3	Prabhjot Kaur	499000	46/78, PUNJABI BAGH WEST NEW DELHI-26
4	Manminder Singh HUF	499000	46/78, PUNJABI BAGH WEST NEW DELHI-26
5	Amit Singh Grover	498000	H.NO.-13, R.NO. 05, 1ST FLOOR, PUNJABI BAGH EXTENSION, DELHI-26
6	Gursharan Kaur	498000	769, MUKHERJEE NAGAR NEW DELHI-110009
7	Madhu Arora	490000	3016/1, RANJEET NAGAR NEW DELHI-110008
8	Varun Dhamija	450000	245/5 KHATTARWARA, SHAHABAD (M) DISTT KURUKSHETRA (HARYANA)
9	Kavita Arora	228000	9/2 GF SOUTH PATEL NAGAR, NEW DELHI - 110008
10	Tanvi Makkar	454100	J4/95 SF, UGF KHIRKI EXTENSION, DELHI - 110017

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. However Details on materially significant related party transactions are shown in note no. 33 of the Balance Sheet as at 31/03/2013.
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 2012-13.

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 : 18th Annual General Meeting
 Date : The 19th September , 2013
 Day : Thursday
 Time : 12.00 Noon
 Place : Eage! Motel, Rajpura Town, District Patiala, Punjab-140401
 Financial Year : 1st April, 2012 to 31st March, 2013

b) Financial Calendar

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

Adoption of Quarterly Financial Results for:

First Quarter- 10th August 2012	Third Quarter- 15th February 2013
Second Quarter- 10th November 2012	Fourth Quarter- 31st May 2013

c) Book Closure

Book closure is from 17th September, 2013 to 19th September, 2013 (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 2013-14 has been paid to BSE & DSE

Market Price Data

High and lows, on Bombay Stock Exchange, during the financial year 2012-13 are as under:

High Rs.12/- on 11.09.12
 Low Rs.12/- on 11.09.12

Shareholders Complaints

Company has not received any complaint during the financial year 2012-13.

Distribution of Shareholding

Distribution of Shareholding as at 31.03.2013

Shareholding	No. of Share holders	% of shareholders	No. of shares	% of shareholding
Up to 5000	105	46.88	50,500	1.0159
5001 to 10000	17	7.59	16,600	0.3359
10001 to 20000	9	4.02	18,000	0.3621
20001 to 30000	2	0.89	5,500	0.1106
30001 to 40000	8	3.57	30,200	0.6075
40001 to 50000	16	7.14	78,500	1.5792
50001 to 100000	22	9.82	2,02,500	4.0737
100001& above	45	20.09	45,69,100	91.9170
TOTAL	236	100	958500	100

Categories of Shareholding as at 31.03.2013 is as under:

Category of Shareholders	No. of Shareholders	Total Number of Shares	Shareholding (as percentage of total shares)	Shares pledged or otherwise encumbered
SHAREHOLDING OF PROMOTER AND PROMOTER GROUP				
Individuals/HUF	12	2836000	29.59	0.00
Bodies Corporate	1	2170200	22.64	0.00
Sub-Total	13	5006200	52.23	0.00
PUBLIC SHAREHOLDING				
Individuals/ HUF	220	4167300	43.48	0.00
Bodies Corporate	3	411500	4.29	0.00
Sub-Total	223	4578800	47.77	0.00
Total	236	9585000	100	0.00

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 Madangir,
 Behind Local Shopping Centre,
 Near Dada Harsukhdas 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

Plant Locations:

Liquor Manufacturing

Devi Nagar, Distt. Patiala,
 Tehsil, Rajpura (Punjab)

Cosmetics Manufacturing

27, Industrial Area,
 Baddi, Himachal Pradesh

Dematerialization of Shares

Shares of the Company are available in agreement with NSDL and CDSL and has been allotted ISIN INE414L01012. During the period, requests for dematerialization of shares has been received and duly processed.

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:

PARTICULARS	Mrs. Daisy Sigh
Age	41 years
Qualification	B.Com
Experience	More than 5 years of experience in Manufacturing & Trading Industry
Directorship in Board of other Companies	1. Artmica Laminates Pvt. Ltd.
	2. Three-N-Construction Private Limited
Shareholding as on 31.03.2013	Nil

Place : Delhi
 Date : 24/08/2013

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, 2013.

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

Sd/-
Manminder Singh Narang
(Chairman & Managing Director)

Place : Delhi
Date : 24.08.2013

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, 2013 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 : 24/08/2013

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

To,
The members of the Nuway Organic Naturals India Limited

I have reviewed the compliance of conditions of Corporate Governance by NUWAY ORGANIC NATURALS INDIA LTD for the year ended 31st March 2013, 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, 2013 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, except Company is yet to enter into agreement with CDSL. 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 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.

Sd/-

For Shanti Prashad & Co. (Chartered Accountant)

Satish Agarwal

Firm Regn No. FRN: 019923N

Membership No. 505969

Place : Delhi
Dated : 31/05/2013

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NUWAY ORGANIC NATURALS INDIA LIMITED

Report on Financial Statements

We have audited the accompanying financial statements of **NUWAY ORGANIC NATURALS INDIA LIMITED**, which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatements of financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- (a) In case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) In case of the Statement Profit and Loss Account, of the Loss for the year ended on that date;
- (c) In case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) order, 2003, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we give in Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
2. As required by section 227(3) of the Act, 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 those books;
 - (c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in arrangement with the books of accounts;
 - (d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in Sub-section (3C) of section 211 of the Companies Act, 1956;

- (e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the director is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- (f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act 1956 nor has it issued any Rules under the said section, prescribing the manner in which cess is to be paid, no cess is due and payable by the Company

For Shanti Prashad & Company
Chartered Accountants

Sd/-

(Ashish Kumar Aggarwal)

Partner

M No. 522443

Place : Delhi
Dated : 31.05.2013

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

1. In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) As explained to us, the management during the year has physically verified all the fixed assets and we are informed that no material discrepancies were noticed on such verification.
 - (c) In our opinion, the Company has not disposed off any substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its inventories:
 - (a) As explained to us, the Inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - (b) The procedure of physical verification of inventory followed by the management is 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. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book record.
3. In respect of the loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
 - (a) The company has not granted any fresh unsecured advance to any person covered in the registers maintained under Section 301 of the Companies Act, 1956.
 - (b) Since the company has granted any loan to parties listed in the register maintained under section 301 of the Companies Act, 1956, so clause 5 (iii) (b), (c), and (d) of CARO 2003 are not applicable on the Company.
 - (e) The company has taken unsecured loan of Rs. 250 lacs from parties covered under section 301 of the Companies Act, 1956. The year-end balance of loan taken from such parties was Rs. 596.21 lakhs.
 - (f) The terms and conditions of the loan are prima facie not prejudicial to the interest of the company.
 - (g) The parties are regular in repaying the principal amounts as stipulated and have been regular in payment of interest wherever applicable.
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, fixed assets and with regard to the sale of goods. There is no continued failure to correct major weaknesses in internal control system.
5. (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
 - (b) In our opinion and according to information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of each party during the year have been made at a price which appear reasonable as per information available with the Company.

6. In our opinion and according to the information and explanations given to us, the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and Companies (Acceptance of Deposit) Rules, 1975 with regard to the deposits accepted from the public are not applicable on the Company as the company has not accepted any deposits from public and only unsecured loans from the directors, their relatives and associates have been accepted in earlier years due to condition imposed by the bankers of the company from whom loans have been raised.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. As per information and explanations given to us, the company has maintained cost records as prescribed by Central Government under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956.
9. In respect of statutory dues:
 - (a) According to the records of the Company, it is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amount payable in respect of income tax, wealth tax, service tax, sales tax, custom duty, excise duty and cess were in arrears, as at 31st March, 2013, 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 accumulated losses of Rs 618.56 Lacs 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. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks.
12. According to information and explanations given 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. The company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, the Provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) 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 provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to 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. The company has not availed fresh Term Loans during the financial year covered by our audit.
17. According to the information and explanations given to us and on an 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 made any preferential allotment of shares to parties covered under section 301 of Companies Act, 1956 during the financial year covered by our audit. As per information and explanations given the price at which shares are issued is not prima facie prejudicial to the interest of the company.
19. The Company has not issued any debentures.
20. The Company has not raised any money by public issue during the financial year covered by our audit.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For Shanti Prashad & Company
Chartered Accountants

Sd/-
(Ashish Kumar Aggarwal)
Partner
M No. 522443

Place : Delhi
Dated : 31.05.2013

BALANCE SHEET AS AT 31ST MARCH 2013

(in Rupees)

	Notes	As at 31.03.2013	Asa at 31.03.2012
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	5	161,546,750.00	115,405,750.00
(b) Reserves and Surplus	6	(52,627,919.37)	(18,463,928.55)
		108,918,830.63	96,941,821.45
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	7	214,442,094.60	261,479,490.01
(b) Deferred Tax Liabilities (Net)		27,360,000.00	27,360,000.00
(c) Other Long Term Liabilities	8	116,521,732.98	155,767,265.00
(d) Long-Term Provisions	9	-	-
		358,323,827.58	444,606,755.01
(3) Current Liabilities			
(a) Short-Term Borrowings	10	57,150,888.37	36,162,723.50
(b) Trade Payables	11	33,788,228.66	90,573,879.73
(c) Other Current Liabilities	12	70,834,157.63	89,561,140.71
(d) Short-Term Provisions	9	-	2,333,966.00
		161,773,274.66	218,631,709.94
Total		629,015,932.87	760,180,286.40
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	13		
(i) Tangible Assets		397,869,070.11	453,108,098.08
(ii) Intangible Assets		459,103.23	639,796.00
(iii) Capital work-in-progress		32,972,925.70	20,708,820.70
		431,301,099.03	474,456,714.78
(b) Long-Term Loans and Advances	14	2,061,730.00	20,762,560.68
(2) Current Assets			
(a) Inventories	15	49,893,627.56	88,346,759.04
(b) Trade Receivables	16	33,296,729.42	155,988,892.00
(c) Cash and Bank Balances	17	26,628,430.22	15,645,357.24
(d) Short-Term Loans and Advances	18	85,834,316.64	4,980,002.66
		195,653,103.84	264,961,010.94
Total		629,015,932.87	760,180,286.40

Summary of significant accounting policies 4

The accompanying notes are an integral part of the financial statements.

As per our separate report of even date annexed

For Shanti Prashad & Co.

Chartered Accountants

Sd/-

(Ashish Kumar Aggarwal)

Partner

M.No.522443/ FRN 019923N

Place : Delhi

Dated: 31.05.2013

ON BEHALF OF THE BOARD

FOR NUWAY ORGANIC NATURALS INDIA LTD.

Sd/-

(Manminder Singh Narang)

Managing Director

Sd/-

(Rosy Arora)

Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2013

(in Rupees)

	Notes	Year ended 31.03.2013	Year ended 31.03.2012
Income:			
I. Revenue from Operations	19	599,104,835.97	471,320,593.59
Less : Excise duty		-	-
Net Revenue from Operations		599,104,835.97	471,320,593.59
II. Other Income	20	423,768.00	870,411.33
III. Total Revenue (I+II)		599,528,603.97	472,191,004.92
IV. Expenses:			
Cost of Materials Consumed	21	366,812,646.60	230,154,781.09
Purchases of Trading Goods	22	32,643,391.51	115,606,993.22
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	23	(49,938,609.00)	533,912.46
Employee Benefit Expenses	24	20,623,351.00	13,954,163.00
Finance Costs	25	36,111,500.19	39,605,300.80
Depreciation and Amortization Expense	13	62,289,460.75	59,698,636.00
Other Expenses	26	149,597,964.19	109,169,629.53
Total Expenses		693,072,401.27	518,250,894.64
V. Profit before Exceptional and Extraordinary Items and Tax (III - IV)		(93,543,797.30)	(46,059,889.72)
VI. Exceptional Items		-	-
VII. Profit before Extraordinary Items and Tax (V - VI)		(93,543,797.30)	(46,059,889.72)
VIII. Extra Ordinary Items	27	-	-
IX. Profit before Tax (VII - VIII)		(45,726,156.82)	(1,059,889.72)
X. Tax Expense:			
(1) Current tax		-	-
(2) Deferred Tax		-	24,960,000.00
(3) Tax Adjustment for earlier years		(2,333,966.00)	-
XI. Profit/ (Loss) for the period from Continuing Operations (IX-X)		(43,392,190.82)	(26,019,889.72)
XII. Profit/ (Loss) for the Period		(43,392,190.82)	(26,019,889.72)
Earning Per Equity Share			
Basic/ Diluted	29	(6.40)	(5.23)

Summary of significant accounting policies 4

The accompanying notes are an integral part of the financial statements.

As per our separate report of even date annexed

For Shanti Prashad & Co.
Chartered Accountants

Sd/-
(Ashish Kumar Aggarwal)
Partner
M No. 505969/ FRN 019923N
Place : New Delhi
Dated: 31.05.2013

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

Sd/-
(Manminder Singh Narang)
Managing Director

Sd/-
(Rosy Arora)
Director

CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED ON 31.03.2013

(in Rupees)

PARTICULARS	Year ended 31.03.2013	Year ended 31.03.2012
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax & Extra Ordinary Items	(93,543,797.30)	(46,059,889.72)
Profit in sale of Fixed Assets	(11,243,000.00)	–
Depreciation	62,289,460.75	59,698,636.00
Interest and Finance Charges	36,111,500.19	39,605,300.80
Interest received	(423,768.00)	(548,732.00)
Extraordinary Items	47,817,640.48	–
Operating Profit before Working Capital Changes	41,008,036.12	52,695,315.08
Adjustments for:		
(Increase)/ Decrease in Trade and other receivable	60,538,679.28	(89,585,831.73)
(Increase)/ Decrease in Inventories	38,453,131.48	(80,429,172.13)
(Increase)/ Decrease in Trade Payable, Other Long & Current liabilities	(114,758,166.17)	111,278,963.93
Cash Generated from operations	25,241,680.71	(6,040,724.85)
Direct Taxes	–	–
Net Cash from Operating Activities : (A)	25,241,680.71	(6,040,724.85)
B. Cash Flow from Investing Activities:		
Purchase of fixed assets	(21,380,845.00)	(59,548,029.50)
Sale of fixed assets	13,490,000.00	–
Interest Received	423,768.00	548,732.00
Sale of Investments	–	60,000,000.00
Net Cash Flow from Investing Activities (B)	(7,467,077.00)	1,000,702.50
C. Cash Flow from Financing Activities :		
Issue of Equity Shares	55,369,200.00	–
Increase in Secured Borrowings (Short term and Long term) Net	(3,170,480.54)	67,003,760.50
Increase in Unsecured Borrowings (Short term and Long term) Net	(22,878,750.00)	(91,203,500.00)
Interest and Other Charges	(36,111,500.19)	(39,605,300.80)
Net Cash Flow from Financing Activities (C)	(6,791,530.73)	(63,805,040.30)
Net increase in Cash and Cash Equivalents (A+B+C)	10,983,072.98	(68,845,062.65)
Cash and Cash equivalents (Opening Balance)	15,645,357.24	84,490,419.89
Cash and Cash equivalents (Closing Balance)	26,628,430.22	15,645,357.24

As per our separate report of even date annexed

For Shanti Prashad & Co.
Chartered Accountants

Sd/-
(Ashish Kumar Aggarwal)
Partner
M No. 505969/ FRN 019923N
Place : New Delhi
Dated: 31.05.2013

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

Sd/-
(Manminder Singh Narang)
Managing Director

Sd/-
(Rosy Arora)
Director

Notes to financial statements for the year ended 31st March 2013

1. Corporate information

Nuway Organics Natural India Limited(the Company) is a public limited company domiciled in India and incorporated on July 10, 1995 under the provisions of Indian Companies Act, 1956. The Company is in the business of the manufacturing beer, wine, whisky, rum, gin, vodka and other alcoholic/non alcoholic drinks. The company is having manufacturing plant for alcoholic drinks at Rajpura in Punjab. The company also deals in cosmetics items.

2. Basis of preparation

The financial statements are prepared on accrual basis under the historical cost convention in accordance with the generally accepted accounting principles in India and to comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act,1956 including the Rules framed there under.

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. Significant accounting policies:

a. 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.

b. 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.

c. 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.

d. Inventories

Inventories are valued on the following bases :

Raw Material	At cost or net realisable value whichever is lower .Cost is ascertained on FIFO basis
Work-In-Progress	At cost or net realisable value whichever is lower. Cost includes direct material (net of Cenvat or Vat, if any) and direct labour and Proportion of Manufacturing overheads based on normal working capacity.
Finished goods	At cost (inclusive of Excise Duties) or net realisable value whichever is lower. Cost includes direct material (net of Cenvat or Vat, if any) and direct labour and Proportion of Manufacturing overheads based on normal working capacity.

e. Cash Flow Statement

Cash Flow Statement has been prepared on indirect method as per the guidelines and AS-3 issued by ICAI.

f. Cash Flow Statement

Tax expense comprises current income tax and deferred income tax.

Income Tax is measured at the amount expected to be paid to the Tax Authorities in accordance with the Income Tax Act, 1961 using the tax rates as per the Tax Law that have been enacted or substantively enacted as on the date of the Balance Sheet.

Deferred Tax Assets and Liabilities are recognized on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods in accordance with the Accounting Standard 22 “Accounting for Taxes on Income”, issued by the Institute of Chartered Accountants of India. Deferred Tax Assets and Liabilities are recognized using the tax rates as per the Tax Law that have been enacted or substantively enacted as on the date of the Balance Sheet.

g. Investments

Long Term Investments are carried at cost, however, provision for diminution in the value of Investment is made only if such a decline is other than temporary in the opinion of management.

i. Miscellaneous Expenditure

Expenses incurred for Capital Enhancement are capitalized in Pre-operative Expense (Pending Written off) and 1/5th of said expenses are being written off against the profits of the company.

j. Employee benefits

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

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

k. Contingent Liabilities and Provisions

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent Liabilities are not recognized in the financial statements but are disclosed in the note of accounts. Contingent assets are neither recognized and nor disclosed in financial statements.

l. Borrowing Cost

Borrowing cost that are directly attributable to acquisition or construction of qualifying assets has been capitalized as part of such asset as per AS-16 on Borrowing Costs issued by the ICAI. All other borrowing cost are charged to revenue in the period when they are incurred.

m. Earning Per Share

EPS is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average no. of equity shares outstanding during the year as per AS-20 issued by the ICAI.

n. Impairment of assets

Fixed Assets are assessed annually on the balance sheet date having regard to the internal and external source of information so as to analyze whether any impairment of the asset has taken place. If the recoverable amount, represented by the higher of net selling price or the value in use, is less than the carrying amount of cash- generated unit the difference is recognized as impairment loss and debited to P&L account.

Suitable reversals are made in the book of account as and when the impairment loss ceases to exist or shows a decrease.

(in Rupees)

	As at 31.03.2013	As at 31.03.2012
5. Share Capital		
Authorised Capital		
135,00,000 (31 March 2012 : 85,00,000) Equity shares of Rs.10/- each	135,000,000.00	85,000,000.00
650,000 (31 March 2012 : 6,50,000) Preference Shares of Rs. 100/- Each	65,000,000.00	65,000,000.00
Total	<u>200,000,000.00</u>	<u>150,000,000.00</u>

Issued,Subscribed and Paid up Capital

Equity Shares

9,585,000 (31 March 2012: 4,970,900)	95,850,000.00		
Equity shares of Rs.10/- each			
Less: Unpaid Call money	—	95,850,000.00	49,709,000.00

0.05% Preference Shares

650,000 (31 March 2012: 650,000)			
Redeemable Preference Shares of Rs. 100/- Each, fully paid up		65,000,000.00	65,000,000.00

Share Forfeiture

278,700 (31 March 2012: 278,700)			
Equity Shares on which Rs. 2.50/- per share paid		696,750.00	696,750.00

Total Issued, Subscribed and Paid Up Share Capital		161,546,750.00	115,405,750.00
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a. Reconciliation of the share outstanding as at the beginning and at the end of the reporting year:

	March 31, 2013		March 31, 2012	
	No.	In Rupees	No.	In Rupees
Equity Shares				
As at beginning of the year	4,970,900.00	49,709,000.00	5,249,600.00	50,405,750.00
Add: Shares issued for cash consideration	4,614,100.00	46,141,000.00	-	-
Less: Share forfeited during the year	-	-	278,700.00	696,750.00
Balance As at end of the year	9,585,000.00	95,850,000.00	4,970,900.00	49,709,000.00
Preference Shares				
As at beginning of the year	650,000.00	65,000,000.00	650,000.00	65,000,000.00
Balance As at end of the year	650,000.00	65,000,000.00	650,000.00	65,000,000.00

b. Notes/Terms/ Rights attached to Shares

Equity Shares

The company has only one class of Equity Shares having a par value of Rs. 10 per Share. Each holder of Fully paid equity is entitled to one vote per share.

In the event of Liquidation of the Company, The holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

Preference Shares

The company has only one class of 0.05% Redeemable Preference Shares having a par value of Rs. 100 per share. The preference share are reedemable at 2% premium on face value at any time with prior notice of one month but before 20 years from allotment date (i.e. 31 March 2009).

c. Details of Shareholders holding more than 5% shares of the Company:

	March 31, 2013		March 31, 2012	
	No.	%	No.	%
Equity Shares				
RDM Care India Pvt. Ltd. (Formerly known as RDM Traders Pvt. Ltd.)	2,170,200.00	22.64	2,170,200.00	43.66
Gursharan Kaur	498,000.00	5.20	-	-
Amit Singh Grover	498,000.00	5.20	-	-
Madhu Arora	498,000.00	5.20	-	-
Manminder Sing Narang	604,000.00	6.30	-	-
Anchal Narang	604,000.00	6.30	-	-
Manminder Sing Narang (HUF)	499,000.00	5.21	-	-
Prabhjot Kaur	499,000.00	5.21	-	-

c. Details of Shareholders holding more than 5% shares of the Company:

	March 31, 2013		March 31, 2012	
	No.	%	No.	%
Preference Shares				
Three-N-Construction Pvt. Ltd.	100,000.00	15.38	100,000.00	15.38
Sonia Narang	150,000.00	23.08	150,000.00	23.08
RDM Care India Pvt. Ltd.	400,000.00	61.54	400,000.00	61.54

The above information is furnished on the basis of the shareholder register as at the year end.

d. Details of Shares Forfeited during the Last Five Financial Years

2,78,700 Equity Shares of of Rs. 10 each Partly paid up @ Rs. 2.50/- per Share in F Y 2011-12 (Total Amounting to Rs. 6.97 Lacs).

(in Rupees)

	As at 31.03.2013	As at 31.03.2012
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6. Reserves and Surplus

(a) Surplus in the Statement of Profit & Loss

Balance as per last financial statements	(18,463,928.55)	7,555,961.17
Profit for the year	(43,392,190.82)	(26,019,889.72)
Less: Appropriations		
Dividend on Equity Shares	—	—
Tax of Equity Dividend	—	—
Transfer to General Reserve	—	—
Closing Balance	(61,856,119.37)	(18,463,928.55)

(b) Securities Premium

Balance as per last financial statements	—	—
Addition during the year	9,228,200.00	—
Closing Balance	9,228,200.00	—
Total Reserve and Surplus	(52,627,919.37)	(18,463,928.55)

7. Long Term Borrowings

	Non Current Portion		Current Portion	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Term Loans *				
Indian Rupees Loan From Banks (Secured)	151,834,742.01	176,616,169.01	32,254,200.00	35,724,000.00
	151,834,742.01	176,616,169.01	32,254,200.00	35,724,000.00
Finance Lease Obligations **				
Indian Rupees Loan From Banks (Secured)	2,986,102.59	2,363,321.00	2,403,843.00	1,127,670.00
	2,986,102.59	2,363,321.00	2,403,843.00	1,127,670.00
Deposits (Unsecured)				
Loan From Corporates	—	—	—	—
Deposits From Shareholders	—	60,000,000.00	—	—
	60,000,000.00	60,000,000.00	—	—

7. Long Term Borrowings(Contd.)

	Non Current Portion		Current Portion	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Loan and Advances from Related Parties (Deposits)				
Key Management Personal	33,152,500.00	7,500,000.00	—	5,538,526.00
Associated Concerns	26,468,750.00	15,000,000.00	—	13,757,974.00
	59,621,250.00	22,500,000.00	—	19,296,500.00
Total of Long Term Borrowings	214,442,094.60	261,479,490.01	34,658,043.00	56,148,170.00

Notes :

* Term Loans are secured against Plant & Machinery, Buildings and all other fixed assets of Rajpura unit.

**Vehicle Loans (Hire Purchase Agreeemnt) in terms of Finance Lease obligations are secured against vehicles acquired by the Company.

8. Other Long Term Liabilities

Trade Payables	116,457,732.98	155,703,265.00
Security Deposits Received	64,000.00	64,000.00
	<u>116,521,732.98</u>	<u>155,767,265.00</u>

9. Provisions

(Rs. Lacs)

	As at March 31, 2013		As at March 31, 2012	
	Long Term	Short Term	Long Term	Short Term
Equity Shares				
Provision for Employee Benefits::				
Gratuity	—	—	—	—
Prov.for Leave Encashment	—	—	—	—
Others :				
Provision of Excise Duty on Finished Goods	—	—	—	—
Provision of Income Tax	—	—	—	2,333,966.00
	—	—	—	2,333,966.00

(in Rupees)

As at
31.03.2013 **As at**
31.03.2012

10. Short Term Borrowings

Loans Repayable on Demand - From Banks (Secured):

Indian Rupee Loans from Banks

Cash Credit Facilities

Balance as per Bank Statement	32,458,285.37		
Cheque issued but not yet presented	24,692,603.00	57,150,888.37	36,162,723.50
		<u>57,150,888.37</u>	<u>36,162,723.50</u>

Notes :

- i. Working Capital limits from Oriental Bank fo Commerce and secured by first parripassu charge by hypothecation of Raw Material, Finished Goods, Work in Process, Book Debts and second parripassu charge on entire fixed assets of the Company and further secured by personal guarantee of Directors of the Company. (The applicable interest rate is BR +3.5%).

11. Trade Payables

Trade Creditors	33,788,228.66	90,573,879.73
	<u>33,788,228.66</u>	<u>90,573,879.73</u>

12. Other Current Liabilities

Current Maturities of Long Term Borrowings	34,658,043.00	56,148,170.00
Other Payables	13,052,967.62	5,660,755.73
Advance from Customers	1,400,863.50	484,372.53
Security Deposits	4,830,000.00	2,360,000.00
Other Liabilities	7,529,147.82	8,257,210.64
Provision for Expenses	1,474,774.00	2,090,224.00
Payable for Capital Goods	7,888,361.69	14,560,407.81
	<u>70,834,157.63</u>	<u>89,561,140.71</u>

(in Rupees)

As at	As at
31.03.2013	31.03.2012

**14. Long Term Loan and Advances
Unsecured but considered good**

Capital Advance (for Fixed Assets)	1,300,000.00	4,336,615.17
Security Deposit	761,730.00	886,330.00
Advance to Suppliers		
For Trading Goods	—	15,489,161.51
For Others	—	50,454.00
	<u>2,061,730.00</u>	<u>20,762,560.68</u>

15. Inventories

(Taken valued and certified by the management)

Raw Material	9,313,242.91	27,820,430.88
Work in Progress	6,147,030.00	4,632,606.00
Finished Goods	26,042,135.51	42,110,614.60
Trading Goods	75,664.47	4,236,036.00
Other (Packing material, consumable stores, Oil & Lubricants, steam coal & spare parts)	8,315,554.67	9,547,071.56
Miscellaneous Scrap	—	—
Goods in Transit - Raw Material	—	—
	<u>49,893,627.56</u>	<u>88,346,759.04</u>

16. Trade Receivables

(Unsecured but considered good unless otherwise stated)

Outstanding for over six months* (Considered Good)	1,482,179.00	152,342,338.25
Other Receivables	31,814,550.42	3,646,553.75
	<u>33,296,729.42</u>	<u>155,988,892.00</u>

*The ageing of receivables is from the date of receivable are due for collection as per the terms with customer

**13 NUWAY ORGANIC NATURALS INDIA LIMITED
SCHEDULE OF FIXED ASSETS As on 31.03.2013**

Sl. No.	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		Op. Balance as on 01.04.2012	Additions during the year	Sale/ Transfer during the year	Cl. Balance as on 31.03.2013	Dep Upto as on 01.07.2009	Dep. During the year	Adjusted On Sale/ Transfer	Total on sale/ Transfer	W.D.V. as on 31.03.2013	W.D.V. as on 01.04.2012
	TANGIBLE ASSETS										
1	LAND & SITE DEVELOP.	19,036,523.12	-	2,247,000.00	16,789,523.12	-	-	-	-	16,789,523.12	19,036,523.12
2	BUILDING	119,491,675.93	1,059,308.00	-	120,550,983.93	8,637,128.00	11,169,426.68	-	19,806,554.68	100,744,429.25	110,854,547.93
3	PLANT & MACHINERY	343,794,403.71	179,000.00	14,000.00	343,959,403.71	40,834,931.97	41,464,530.92	810.97	82,298,651.91	261,660,751.80	302,959,471.74
4	LAB EQUIPMENT	482,024.00	-	-	482,024.00	53,272.00	59,639.40	-	112,911.40	369,112.60	428,752.00
5	OFFICE EQUIPMENT	1,576,367.92	318,490.00	-	1,894,857.92	567,344.90	87,345.34	-	654,690.24	1,240,167.68	1,009,023.02
6	FURNITURE AND FIXTURES	774,110.50	1,712,239.00	-	2,486,349.50	143,728.94	369,280.07	-	513,009.01	1,973,340.49	630,381.56
7	ELECTRICAL FITTINGS	5,475,539.00	452,293.00	-	5,927,832.00	730,948.00	946,930.77	-	1,677,878.77	4,249,953.23	4,744,591.00
8	MOTOR CAR	3,606,594.00	4,937,472.00	-	8,544,066.00	655,315.98	1,329,053.88	-	1,984,369.66	6,559,696.34	2,951,278.02
9	COMMERCIAL VEHICLES	3,585,240.00	-	-	3,585,240.00	226,630.00	1,007,643.00	-	1,234,073.00	2,351,167.00	3,359,810.00
10	COMPUTER	331,590.00	361,358.00	-	692,948.00	97,075.60	150,771.29	-	247,846.89	445,101.11	234,514.40
11	EFFULANT TREATMENT PLANT	2,244,314.58	-	-	2,244,314.58	1,426,523.00	654,233.26	-	2,080,756.26	163,558.32	817,791.58
12	POWER GENERATION UNIT	16,639,986.86	-	-	16,639,986.86	10,576,649.00	4,850,670.29	-	15,427,319.29	1,212,667.57	6,063,337.86
13	DIES & MOULDS	33,560.00	99,080.00	-	132,640.00	14,484.15	8,554.25	-	23,038.40	109,601.60	19,075.85
	INTANGIBLE ASSETS										
	TRADE MARK & DESIGNS	840,020.00	11,500.00	-	851,520.00	200,224.00	192,192.77	-	392,416.77	459,103.23	639,796.00
	WORK IN PROGRESS- TANGIBLE ASSETS	20,552,059.70	12,420,866.00	-	32,972,925.70	-	-	-	-	32,972,925.70	20,708,820.70
		538,464,009.32	21,551,606.00	2,261,000.00	557,754,615.32	64,164,055.54	62,290,271.72	810.97	126,453,516.29	431,301,099.03	474,456,714.78

(in Rupees)

	As at 31.03.2013	As at 31.03.2012
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17. Cash and Bank Balances :

Cash and cash equivalents

Cash in Hand	6,275,394.86	3,585,573.44
Balances with Banks :		
In current Accounts	5,770,867.36	7,833,944.80
In sweep Accounts	3,060,000.00	3,924,984.00
Cheque/ Draft on Hand	5,000,000.00	-
Bank Balance (Other Than Above)		
In Fixed Deposit A/c (having Maturity Period more than One year) *	6,522,168.00	300,855.00
	<u>26,628,430.22</u>	<u>15,645,357.24</u>

*The Fixed Deposits are under lien against LCs, Bank Guarantees and other credit facilities availed from Banks.

18. Short Term Loans and Advances

Unsecured but considered goods

Advance to Suppliers	64,752,193.24	59,484.00
Security Deposits/ Earnest Money	4,000,000.00	1,000,000.00
Advance recoverable in cash or in kind or for value to be received	4,843,905.40	2,507,829.66
Staff Advance/ Imprest Balance	10,767,487.00	-
Balance with Revenue Authorities	31,130.00	-
Income Tax Refund due	172,382.00	172,382.00
Advance Income tax (Earlier Years)	1,184,770.00	1,184,770.00
Advance Income tax	82,449.00	55,537.00
	<u>85,834,316.64</u>	<u>4,980,002.66</u>

19. Revenue from Operations

Sale of Products:

- Manufactured Products	530,053,113.67	336,585,208.78
- Traded Goods	69,051,722.30	134,735,384.81
	<u>599,104,835.97</u>	<u>471,320,593.59</u>

20. Other Income

Interest received	423,768.00	548,732.00
Misc.Receipts	-	321,679.33
	<u>423,768.00</u>	<u>870,411.33</u>

(in Rupees)

	As at 31.03.2013	As at 31.03.2012
21. Cost of material consumed		
Inventory at the beginning of the year	29,757,078.18	6,864,027.31
Add : Purchases (Raw Material, Consumable etc)	351,389,628.00	259,327,492.37
Less : Inventory at the end of the year	14,334,059.58	36,036,738.59
	<u>366,812,646.60</u>	<u>230,154,781.09</u>
22. Purchase of stock in trade		
Trading Goods	32,643,391.51	115,606,993.22
	<u>32,643,391.51</u>	<u>115,606,993.22</u>
23. Increase/(Decrease) in finished goods,		
Work-In-Progress & Misc.Scrap		
Stock at Close		
Finished Goods	26,042,135.51	42,110,614.60
(including inter-unit Goods in Transit - NIL)		
Work-in-Progress	6,147,030.00	4,632,606.00
Trading Goods	75,664.47	4,236,036.00
	<u>32,264,829.98</u>	<u>50,979,256.60</u>
Stock at Commencement :		
Finished Goods	48,390,275.01	664,974.00
(including inter-unit Goods in Transit Rs. NIL)		
Work-in-Progress	4,632,606.00	—
Trading Goods	4,236,036.00	375,673.60
	<u>57,258,917.01</u>	<u>1,040,647.60</u>
	<u>(24,994,087.03)</u>	<u>49,938,609.00</u>
24. Employee benefit expenses		
Wages and Salaries and Other Benefits	3,926,947.00	3,658,920.00
Workers Welfare	202,999.00	362,208.00
Salary to Staff and other benefits	13,376,528.00	9,472,770.00
Contribution to Provident and Other Funds	411,585.00	80,325.00
Staff Welfare	5,101.00	44,940.00
Staff Bus Exp.	300,191.00	335,000.00
Director's Remuneration	2,400,000.00	-
	<u>20,623,351.00</u>	<u>13,954,163.00</u>
25. Financial Expenses		
Interest On Loans	35,643,558.59	39,284,383.00
Bank Charges	467,941.60	320,917.80
	<u>36,111,500.19</u>	<u>39,605,300.80</u>

(in Rupees)

	As at 31.03.2013	As at 31.03.2012
26. Other Expenses		
Additional Goods/Sales Tax	—	7,000.00
Annual Maintenance Contract	11,700.00	
Bombay Stock exchange	130,338.00	
Consumable Stores	849,401.00	502,245.60
Court Fees Stamp	2,937.00	
Power and Fuel (Including Consumption of Rice husk)	97,027,586.85	75,102,505.65
Labour Charges	3,340,547.07	2,336,883.00
Donation	510,000.00	
Licence Renewal Fee	2,001,500.00	1,000,000.00
Excise Deptt. Charges of CCTV Camera	811,884.00	842,864.79
Electricity & water	24,035.00	
Hologram (Excise)	1,219,894.00	2,067,795.00
Sales Promotion Expenses	764,531.50	2,025,099.00
Lable Fees	130,000.00	
Security Charges	1,124.00	580,102.00
Entertainment Expenses	13,413.00	
Excise Duty fees	1,000,624.00	
Festival Expenses	330,200.00	
Fire Expenses	1,573.00	—
Cash Handling Charges	232,578.00	21,856.00
Cleanliness Exp.	375,807.00	197,561.00
Short & Excess	(696.98)	(2,513.82)
Consultancy Charges	500,000.00	
Conveyance Expenses	44,256.56	24,740.00
Printing & Stationery	369,283.00	236,705.00
Repairs - Plant and Machinery / Genset and Turbine	4,528,483.00	4,011,756.31
Repairs - Electrical	1,170,689.00	453,320.25
Office Expenses & Repair (Others)	686,017.00	114,602.00
Miscellaneous Expenses	200,587.00	48,096.00
Travelling Expenses	652,413.00	766,581.00
Pollution expenses	42,000.00	
Retainership Fees	100,000.00	
Reagistration expenses	24,560.00	
Testing charges	63,104.00	
Postage & Courier	15,277.00	2,692.00
Telephone Expenses	377,975.00	235,043.55
Rent paid (others)	4,076,360.00	646,500.00
Advertisement & Publicity	4,113,915.09	485,834.20
Insurance Charges	1,219,572.00	846,760.00
Rates, Taxes & fees	2,208,903.74	952,862.00
Commission paid	5,383,650.00	6,556,096.00
Rebate & Discount	194,645.50	193,400.00
Legal & Professional charges	311,374.00	556,850.00
Meeting Expenses	—	50,140.00
Auditor's Remuneration:		
Audit Fee	500,000.00	150,150.00
Freight Inward	255,311.00	397,733.00
Freight and forwarding	8,914,253.00	5,045,075.00
Gardening Exp.	213,281.00	414,084.00
Interest (Others)	—	395.00
Lab Expenses	56,633.00	117,029.00
Membership & Subscription	—	19,656.00
Pest Control	—	6,650.00

Processing Charges	387,491.00	19,926.00
Quality Cut & Shortage	1,120.00	101,077.00
Security Charges	497,612.00	423,215.00
Service Tax	1,489,751.86	132,535.00
Testing Charges	—	56,622.00
Vehicle Running & Maintainance	2,220,470.00	1,422,106.00
	<u>149,597,964.19</u>	<u>109,169,629.53</u>

(in Rupees)

As at	As at
31.03.2013	31.03.2012

27. Extraordinary Items

Amt. Written off	36,574,640.48	—
Profit on sale of Land	11,243,000.00	—
Profit on Sale of Investment	—	45,000,000.00
Earnings per share (basic/ diluted)- (Rs.)	<u>47,817,640.48</u>	<u>45,000,000.00</u>

28. Deferred Tax Liabilities(Net)

Due to future uncertainty of future taxable profit the company has not created any Deferred Tax Assets/ Liabilities during the year.

29. Earnings per share (EPS)

Net profit attributable to equity shareholders	(43,392,190.82)	(26,019,889.72)
Weighted average number of equity shares	6,778,616.00	4,970,900.00
Earnings per share (basic/ diluted)- (Rs.)	<u>(6.40)</u>	<u>(5.23)</u>

30. Contingent liabilities not provided for in respect of:

i. Outstanding Bank Gaurantees (in lacs)	63.75	3.00
--	--------------	------

31. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (in lacs)	—	30.00
Estimated amount of contracts remaining to be executed on revenue account and not provided for (in lacs)	7.22	280.00

32. As per AS-15 on Employee Benefits, the short term employee benefits have been accounted on undiscounted basis.

33. In compliance of Accounting Standard 18 on "Related Party Disclosures" issued by the ICAI, details pertaining to related party transactions are as follows:

A. I. Names of related Parties

i. Key Management Personnel

1. MANMINDER SINGH NARANG (Managing Director)
2. ANCHAL NARANG(Whole Time Director)

iii. Associate Concerns

1. SHIVAM COOL DRINKS PVT. LTD.
2. THREE-N-PRODUCTS PVT LTD
3. R.D.M. CARE INDIA PVT. LTD.
4. AYUR INTERNATIONAL
5. THREE-N-CONSTRUCTION PVT. LTD.
6. PEARLS OF BEAUTY (FIRM)
7. NARANG BROS. (FIRM)

B. Transactions with related parties

Year ended 31st March 2013

Particulars	Key Mgt. Personnel	Relative of Key Mgt. Personnel	Associate Concerns	Total
				Amount in lacs
Remuneration, HRA & Others	2,400,000.00	—	—	2,400,000.00
Interest paid	2,099,782.00	—	3,956,831.00	6,056,613.00
Purchase of Goods	—	—	25,906,194.71	25,906,194.71
Sale of Goods	—	—	53,500,285.17	53,500,285.17
Rent Paid	3,646,860.00	—	240,000.00	3,886,860.00
Outstanding Balance of Deposits accepted	33,152,500.00	—	26,468,750.00	59,621,250.00
Amount Receivable			78,757,769.51	78,757,769.51
Amount payable	—	—	101,790,475.68	101,790,475.68
Sale of Fixed Assets	13,490,000.00	—	—	13,490,000.00

34. The company has various cancelable operating leases for offices, Plant & Machineries that are renewable on annual basis and cancelable at the mutual consent of the lessee and lessor. Rental expenses for such operating lease recognized in Statement of profit & loss with the purview of AS-19 on cancelable operating leases above is Rs 40,76,360/-.

The Company has entered into finance lease arrangements for vehicles. Some of the significant terms and conditions of such leases are as follows :

Vehicles and Plant & Equipment in Fixed Assets Schedule "13" include assets acquired under finance lease arrangements, the details of which are given below :

	31.03.2013	31.03.2012
Carrying amount as on 31st March, 2013	8,555,584.00	5,910,876.00
Gross book value as at the beginning of the year	6,434,414.00	-
Addition during the year	4,937,472.00	6,434,414.00
Less: Accumulated Depreciation	2,816,302.00	523,538.00
Net Book Value	8,555,584.00	5,910,876.00
Lease payments made during the year	1,696,045.00	260,009.00
Finance Charges recognised in P&L A/c	526,313.00	97,863.00

Particulars	2012-13			2011-12		
	Total	Future Finance Charges	Minimum lease payments at the balance sheet date	Total	Future Finance Charges	Minimum lease payments at the balance sheet date
Total minimum lease payments at the balance sheet date	6,113,060.59	723,115.00	5,389,945.59	4,150,628.00	659,637.00	3,490,991.00
Not later than one year	2,899,884.00	496,041.00	2,403,843.00	1,502,832.00	375,162.00	1,127,670.00
Later than one year but not later than five years	3,213,172.00	227,074.00	2,986,098.00	2,647,796.00	284,475.00	2,363,321.00

34. Primary Segment: The Company is primarily engaged in the business of Liquor etc. Therefore as per Accounting Standard-17 "Segemnt Reporting" reportable segment is liquor segment only. Hence, the company has not given segment reporting.

Secondary Segment: 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.

36. In the opinion of the Management, the Current Assets, Loans and Advances have realizable value, which is at least equal to the amount at which they are stated. Letters of confirmation of balances are awaited in most of the cases.
37. The company has not received any information from suppliers regarding their status under Micro, Small Scale and Medium Enterprises Development Act, 2006 and hence, disclosure, if any, relating to amounts unpaid at the year end together with any interest payable as required the said Act have not been given.

(in Rupees)

	Year Ended 31.03.2013	Year Ended 31.03.2012
38 Raw material inventory		
Material for Cosmetics	—	1,560,342.38
Nakku/ Grain	6,755,728.90	25,137,581.67
Flavours	830,544.95	535,491.55
Chemicals	1,726,969.06	587,015.28
	<u>9,313,242.91</u>	<u>27,820,430.88</u>
39 Work in progress inventory		
Product in semi-finished condition	6,147,030.00	4,632,606.00
40 Finished goods inventory		
Cosmetics	—	372,389.72
Liquor	26,042,135.51	41,738,224.88
	<u>26,042,135.51</u>	<u>42,110,614.60</u>
41 Trading Goods inventory		
Mineral Water	75,664.47	4,236,036.00
Cosmetics	—	-
	<u>75,664.47</u>	<u>4,236,036.00</u>
42 Sale of Manufactured Products		
Cosmetics	—	1,294,227.36
Liquor	493,195,161.67	322,172,891.42
Others Allied Products	36,857,952.00	13,118,090.00
	<u>530,053,113.67</u>	<u>336,585,208.78</u>
43 Sale of trading Goods		
Mineral Water and Allied Products	15,874,357.74	9,961,058.81
Cosmetics	53,177,364.56	124,774,326.00
	<u>69,051,722.30</u>	<u>134,735,384.81</u>
44 Consumption of raw materials		
Liquor	366,812,646.60	228,891,190.19
Cosmetics	—	1,263,590.90
	<u>366,812,646.60</u>	<u>230,154,781.09</u>
45 Purchase of traded goods		
Mineral Water and Allied products	16,797,615.11	8,568,334.53
Cosmetics	15,845,776.40	107,034,919.60
	<u>32,643,391.51</u>	<u>115,603,254.13</u>
46 Percentage of Imported/Indigenous raw material		
	31st March 2013	31st March 2012
	%	%
	Amount	Amount
Imported	-	-
Indigenous	100.00	100.00
	366,812,646.60	230,154,781.09
	100.00	100.00
	366,812,646.60	230,154,781.09

47 Value of Imports (CIF basis)	NIL	NIL
48 Expenditure in Foreign Currency	NIL	NIL
49 Earnings in Foreign Exchange		
Export (FOB)	NIL	NIL
50 Payments Made to Stutory Auditors (Excluding Service Tax)		
As Statutory Auditors	400,000.00	100,000.00
As Tax Auditors	100,000.00	50,000.00
51 Previous year's figures have been rearranged/regrouped wherever necessary to make them comparable with current figures.		

As per our separate report of even date annexed
For Shanti Prashad & Co.
 Chartered Accountants

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

Sd/-
(Ashish Kumar Aggarwal)
 Partner
 M.No.522443/ FRN 019923N
 Place : Delhi
 Dated: 31.05.2013

Sd/-
(Manminder Singh Narang)
 Managing Director

Sd/-
(Rosy Arora)
 Director

**Abstract of Balance Sheet as on 31-03-2013
Amount in '000"**

I. Registration Details

Registration No.	:	016755
CIN Number	:	L22012PB1995PLC016755
State Code	:	16
Balance Sheet Date	:	31.03.2013

II. Capital Raised during the year

Public Issue	:	NIL
Right Issue	:	NIL
Bonus Issue	:	NIL
Private Placements	:	NIL

III. Position of Mobilisation and Deployment of Funds

Total Liabilities	:	6290.15
Total Assets	:	6290.15

Sources of Funds

Paid - Up Capital	:	1615.46
Share Application Money	:	NIL
Secured Loans	:	1548.20
Reserves & Surplus	:	-526.27
Unsecured Loans	:	600

Application of Funds

Net Fixed Assets	:	4313.01
Investment	:	NIL
Net Current Assets	:	2377.09
Misc. Expenditure	:	NIL
Accumulated Losses	:	-526.27

IV. Performance of Company (Amount in Rs. Thousand)

Turnover including other Incomes	:	5995.28
Total Expenditure	:	6930.72
Profit/Loss Before Tax	:	-457.26
Profit/Loss After Tax	:	-433.92
Earning Per Share in Rs.	:	Rs -6.40
Dividend Rate %	:	—

V. Generic Name of Three Principal Services of Company

DE Item Code No.	:	—
New Delhi	:	—
Item Code No.	:	—
Product Description	:	—
Item Code No.	:	—
Product Description	:	—

-Sd-

Ashish Kumar Aggarwal
Partner

M.No. 522443/ FRN 019923N

Place : New Delhi

Date : 31.05.2013

By order of Board of Directors
Nuway Organic Naturals India Ltd.

-Sd-

Manminder Singh Narang
Managing Director

-Sd-

Rosy Arora
Director

NUWAY ORGANIC NATURALS INDIA LTD.

Regd. Office : House No. 6, Dashmesh Colony, ITI Road,
Rajpura Town, District : Patiala, Punjab - 140401

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 **18th Annual General Meeting** of the Company to be held on Thursday, the 19th September, 2013 at 12.00 noon and at any adjourment thereof.

Signed thisday of.....2013.

Signature

Affix Rs.1
Revenue
Stamps

Note : This form in order to be effective should be duly stamped, completed and signed and must be eposited 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 : House No. 6, Dashmesh Colony, ITI Road,
Rajpura Town, District : Patiala, Punjab - 140401

ATTENDANCE SLIP

TO BE HANDOVER AT THE ENTARANCE OF MEETING HALL, **18TH ANNUAL GENERAL MEETING,**
THE 19TH SEPTEMBER, 2013

I/We hereby record my/our presence at the annual general meeting of the Company to be held on Thursday, the 19th September, 2013 at 12.00 noon at Eagle Motel, Rajpura Town, District Patiala, Punjab- 140401.

Name of the Shareholder/Proxy

L.F.No.

Address.....

No. of shares held.....

*Strike out whichever is not applicable


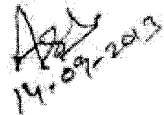
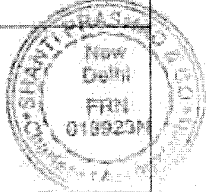
Signature of Member / Proxy





FORM A

Covering Letter of the Annual Audit Report to be filed with the Stock Exchange

1.	Name of the company	Nuway Organic Naturals India Limited
2.	Annual financial statements for the year Ended	31st March, 2013
3.	Type of Audit observation	Un-Qualified
4.	Frequency of observation Whether appeared first time / Repetitive / Since how long period	Not Applicable
5.	To be signed by-	
	• CEO / Managing Director	
	• CFO	Not Applicable
	• Auditor of the Company	 
	• Audit Committee Chairman	