

**NUWAY ORGANIC NATURALS INDIA LTD.**

**13<sup>th</sup>**

**ANNUAL REPORT  
2 0 0 7 - 2 0 0 8**



22, Pratap Colony, Model Gram,  
Ludhiana-141002

## NUWAY ORGANIC NATURALS INDIA LTD.

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### 13th Annual General Meeting

Date : 30th September, 2008  
Day : Tuesday  
Time : 10.00 a.m.  
Place : Registered Office  
22, Pratap Colony,  
Model Gram,  
Ludhiana (Punjab)

### CHAIRMAN-CUM-MANAGING DIRECTOR

Mr. Manminder Singh Narang

### BOARD OF DIRECTORS

Mr. Dapinder Paul Singh  
Mr. Ashok Kumar  
Mr. Mahender Pal Singh

### COMPANY SECRETARY

Alka Singh

### Auditors

Alok Bajaj & Associates  
Vardaan Mansion, Ground Floor,  
7A/75, Western Extension Area (W.E.A.)  
Karol Bagh, New Delhi-110 005.

### Regd. Office

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

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## NUWAY ORGANIC NATURALS INDIA LTD.

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### NOTICE:

To,  
The Members,

Notice is hereby given that the **13<sup>th</sup> Annual General Meeting** of the Company will be held at the **Registered office at 22, Pratap Colony, Model Gram, Ludhiana (Punjab)** on Tuesday, the **30<sup>th</sup> September, 2008**, at 10.00 A.M. to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2008, and Profit & Loss Account of the Company for the year ended 31<sup>st</sup> March, 2008 and the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Shri Dapinder Paul Singh who retires by rotation and, being eligible, offer himself for re-appointment.
3. To appoint M/s Alok Bajaj & Associates, Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

*By Order of the Board*  
For NUWAY ORGANIC NATURALS INDIA LTD

Sd/-  
(Manminder Singh Narang)  
Managing Director

Place: Ludhiana  
Date : 27/08/2008

### 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 29<sup>th</sup> September, 2008 to 30<sup>th</sup> September, 2008 (both days inclusive).
4. Members desirous of any information concerning the accounts and operations of the Company are requested to send their queries to the Company at least one week before the meeting, so as, to enable the management to keep information ready. Replies will be provided only at the meeting.
5. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company between 11.00A.M. to 1.00 P.M. on all working days except Sundays and other holidays upto the date of the Annual General Meeting.

*By Order of the Board*  
For NUWAY ORGANIC NATURALS INDIA LTD

Sd/-  
(Manminder Singh Narang)  
Managing Director

Place: Ludhiana  
Date : 27/08/2008

# NUWAY ORGANIC NATURALS INDIA LTD.

## DIRECTORS' REPORT TO THE MEMBERS

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

Your Directors have pleasure in presenting the **13<sup>th</sup> Annual Report** along with the Audited Statement of Accounts of the company for the financial year ended **31<sup>st</sup> March, 2005**.

## FINANCIAL HIGHLIGHTS

PARTICULARS	(Rs. In '000)	(Rs. In '000)
	YEAR ENDED 31-03-2008	YEAR ENDED 31-03-2007
Sales	11,427.08	0.00
Stock Transfer	26.92	00.00
Other income	13.33	341.74
Closing Stock	776.08	0.00
Total	12,243.42	341.74
Less : Expenses	13,088.81	1,012.37
Profit / Loss before Taxation	(845.38)	(670.63)
Less : Preliminary Expenses	297.62	0.00
Less : Provision for Taxation/ FBT	0.96	4.88
Add : Provision for deferred revenue	143.83	0.00
Net Profit / Loss	(1,000.14)	(675.51)
Add: Balance brought forward	(3,286.10)	(2,610.59)
Surplus / losses carried to Balance Sheet.	(4,286.24)	(3,268.10)

## DIVIDEND

The company had incurred losses during the financial year, therefore, your director do not recommend any dividend.

## PERFORMANCE

Your company has achieved a turnover of Rs. 122.43 Lacs against Rs. 3.42 Lacs in the previous year.

## FUTURE OUTLOOK

The implementation of project for manufacturing of bathing soap at Baddi, H.P. is almost complete. Trial production from the said plant has also started and commercial production is likely to commence very soon.

The Company has started trading of Cosmetic products, bottled soda water and potable water. Your Company has received good response from the Market. Every effort is being made to position your company in the market.

Further your Company is also in the process of setting up a new plant in Rajpura, Punjab for the manufacturing of vodka using potato as major input ingredient. Unstinted efforts are being made to cross all the hurdles coming in the implementation of setting up of plant for manufacture of vodka from potato at Rajpura, Punjab.

In view of efforts doing by the company, your management is hopeful to attain better performance in the future.

## MATERIAL CHANGES

There is no other material change affecting the affairs of the Company, which has happened between the date of the Balance Sheet and upto the date of this report.

## PUBLIC DEPOSITS

Your Company has not accepted any deposits with in the meaning of Section 58A of the Companies Act, 1956, and the rules made thereunder.

## AUDITORS' REPORT

There is no adverse qualification in the Auditor's Report, which needs to be clarified.

## AUDITORS

M/s. Alok Bajaj & Associates, 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. Alok Bajaj & Associates, 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 section 256 and 257 of the Companies Act, 1956 and the Articles of association of your Company, Mr. Dapinder Paul Singh retire by rotation at the ensuing Annual General Meeting and being eligible have offered himself for re-appointment.

Brief resume of the above director, nature of their expertise in specific functional area 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, are given in the section of corporate governance in the Annual Report.

## DIRECTOR'S RESPONSIBILITY STATEMENT

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

## NUWAY ORGANIC NATURALS INDIA LTD.

- i) that in the preparation of the annual accounts, the applicable accounting standards had been followed;
- 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 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.

### AUDIT COMMITTEE

The Audit Committee comprises of all non-executive directors viz. Mr. Mahendra Pal Singh, as Chairman and Mr. Dapindar Paul Singh and Mr. Ashok Kumar as Members. The audit committee has met and reviewed the financial statements for the financial year ended 31.03.2008 and has not given any adverse observations. It has also recommended the re-appointment of M/s. Alok Bajaj & Associates, Chartered Accountants, as statutory auditors of the company.

### CORPORATE GOVERNANCE

As per clause 49 of the listing agreement with Stock Exchange(s), Management discussion & Analysis Report and Corporate Governance Report are annexed as Annexure I and Annexure II & form part of is Directors' 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, and the relevant rules made there under.

### 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:**

Company continue to pay significant attention towards the conservation of energy and all necessary measures have been taken to optimize the use of electricity. Since company has not carried any manufacturing activity on commercial basis neither during the period under review nor in previous year, information as required to be given in Form A may please be treated as nil.

**Research & Development and Technology Absorption**  
Continuous efforts to bring in operational effectiveness and product upgradation through R&D activities are being made.  
**Foreign Exchange earning and Outgo:**

Particulars	(Rs. In Lac)	
	Year ended	Year ended
	31.03.08	31.03.07
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:  
Bombay Stock Exchange Ltd. (BSE)  
The Jaipur Stock Exchange Ltd,  
The Stock Exchange, Ahmedabad,  
Ludhiana Stock Exchange,  
The Delhi Stock Exchange Association Ltd

However, Shareholders in their extra-ordinary general meeting held on 10<sup>th</sup> May, 2008 have given their approval for voluntary delisting of company's securities from the Jaipur and Ahmedabad Stock Exchanges. Now, Company is in process to make application to the said stock exchanges for voluntary delisting of its securities.

Listing fee for the financial year 2008-09 has been paid to all the Stock Exchanges .

### ACKNOWLEDGEMENT

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

By Order of the Board of Directors  
For NUWAY ORGANIC NATURALS INDIA LIMITED

Sd/-  
Manminder Singh Narang  
Chairman &  
Managing Director

Sd/-  
Dapinder Paul Singh  
Director

Place: Ludhiana  
Date : 27/08/2008

# **NUWAY ORGANIC NATURALS INDIA LTD.**

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ANNEXURE – I

## **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

### **Industrial Scene:**

The Company has interests primarily in three segments, viz manufacturing of Soap and Vodka and trading in cosmetics and bottled soda and potable water.

Soap is a product that many people might take for granted or consider rather ordinary, but for some, lathering up can be a treasured part of a morning or nightly routine. India is a vast country with a population of 1030 million people. Household penetration of soap is 98%. People belonging to different income levels use different brands, which falls under different segments (i.e. Carbolic, Discount, Popular, Premium, Super Premium), but all income levels soaps, making it the second largest industry in India. Rural consumers in India constitute 70% of the population. Rural demand is growing, with more and more soap brands being launched in the discount segment targeting the lower socio-economic strata of consumers. The market for Soaps & Detergents has increased manifold with changing lifestyles, growing purchasing power, increased awareness about personal hygiene, responsiveness of the consumer to brands offering superior value and the spread of audio-visual media.

Vodka is one of the world's most popular distilled beverages. It is a clear liquid containing water and ethanol purified by distillation- often multiple distillation—from a fermented substance such as potatoes, grain (usually rye or wheat) or sugar beet molasses, and an insignificant amount of other substance such as flavorings or unintended impurities. Although Vodka is traditionally drunk neat in the Eastern European and Nordic countries of the "Vodka Belt", its popularity elsewhere owes much to its usefulness in cocktails and other mixed drinks, such as the Bloody Mary, the Screwdriver, the Vodka tonic, vodka martini and most recently vodka red bull.

There are huge opportunities in Indian Markets for trading of Bottled Soda, potable Water and Cosmetic Products. Cosmetic products are Fast Moving Consumer Goods (FMCG) hence are always in demand. Due to deterioration in the quality of drinking water, requirement and consumption of bottled potable water and Soda has increased manifolds over last few years.

### **Financial Outlook**

As the company has started trading of cosmetic products, Soda and potable water Bottles, and the response of market is good, your management is hopeful that at the end of financial year 2008-09 Company would earn profit.

The setting up of manufacturing of bathing soap plant is almost complete. Trial production has also been started from the said plant and commercial production from the said plant is expected to be started from the mid of financial year 2008-09 and thus your management forecast to attain good turnover in this field.

It is expected that the vodka manufacturing plant shall also be commissioned during the current financial year. Therefore, your management expects a better financial performance in the times to come.

### **Segment wise performance**

During the year reported, your company has started trading of cosmetic products, bottled soda and potable water and has done good business.

Segment wise performance is given in Note 9 of schedule VI of the Balance sheet as at 31/03/2008.

### **Opportunities**

India is exporting cosmetic products to the countries primarily in middle east and South east Asia. Other major cosmetic importing countries are UAE, USA, Netherlands, South Arabia, Germany, Japan, Malasia, Nepal, Sri Lanka, UK, China, Indonesia, France, Russia and Italy. As such there is a lot of potential for export of bathing soap. In India the demand for this product is regularly increasing.

Further, vodka as indigenous product will be produced by us in India for the first time. This drink besides other things has health values. Therefore, there is a lot of scope of this product in India.

## **NUWAY ORGANIC NATURALS INDIA LTD.**

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Soda water is plain water in which Carbon dioxide gas has been dissolved and is the major and defining component of most soft drinks. Popularity and consumption of Soda Water between Indian consumers is increasing day by day, hence the market of soda water is very alluring.

### **Threats**

Intense competition from other manufacturers will add pressure on the profits margin of the Company in the bathing soap section. Vodka being a new product is sensitive to the customer choice. To establishing brand of bottled soda water and potable water against existing brand of Big Companies and MNCs. ie. McDowell etc.

### **Company Outlook**

Your company has entered into a joint venture/ technical arrangement with Punjab Agro Industrial Corporation for manufacturing of potato based vodka. Bathing soap plant has also been put up at Baddi, in Himanchal Pradesh. The management expects a better performance in the future.

### **Risks Management**

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

### **Internal Control System**

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

### **Human Resources**

The Company believes that the workers are the backbone of the Company. It is providing an opportunity to all the employees to utilise their full potential and grow in the organization. There was no strike or labour unrest during the last financial year. As on 31.03.2008 the total number of regular employees were 9.

**ANNEXURE - II**

### **Report on Corporate Governance**

#### **1. Company's Philosophy on Corporate Governance**

In the fast changing business scenario, good Corporate Governance helps in achieving long term Corporate Goal of enhancing Stakeholders' value. Corporate Governance focuses on commitment to values adhering to ethical business practices. This includes corporate structures, culture, policies and the manner in which the Corporate entity deals with various stakeholders, with transparency being the key word. Accordingly timely, adequate and accurate disclosure of information on the performance and ownership forms the cornerstone of Corporate governance. Your Company strongly believes in Corporate Governance and endeavors to continually take initiatives to strengthen areas of corporate Governance.

#### **2. Board of Directors**

The Board of Directors of the Company is constituted in accordance with the provisions of the Companies Act, 2005 and the listed requirement of at least 1/3rd of the Board comprising of independent Directors who have no material business relationship with the Company. The details of directors and their attendance record at Board Meeting held during the year

## NUWAY ORGANIC NATURALS INDIA LTD.

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
Sh. Manminder Singh Narang	Promoter Executive Director	Managing Director	9	9	5	Yes
Sh. Dapinder Paul Singh	Non Promoter Non Executive Independent Director	Director	9	9	1	Yes
Sh. Ashok Kumar	Non Promoter Non Executive Independent Director	Director	9	9	1	Yes
Sh. Mahender Pal Singh	Non Promoter Non Executive Independent Director	Director	9	9	Nil	Yes

### 3. Board Meetings

During the financial year 2007-08, 9 meetings of Board of Directors were held. These were held on 16.04.2007, 09.04.2007, 31.07.2007, 25.08.2007, 01.10.2007, 10.10.2007, 31.10.2007, 20.12.2007 & 30.01.2008. The intervening period between two meetings was well within the maximum time gap of 4 months as prescribed under Corporate Governance norms.

#### Board's Procedures

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

### 4. Committees of the Board

#### a) Audit Committee

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

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

The Audit Committee specifically reviews:

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

• Recommendations for appointment of Statutory and Cost Auditors.

• Appointment and remuneration of Internal Auditors.



## NUWAY ORGANIC NATURALS INDIA LTD.

Five meetings of the Audit Committee were held during the year as against the requirement of minimum four meetings. The meetings were held on 30.04.2007, 31/07/2007, 25.08.2007, 31/10/2007, 30/01/2008.

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
Sh. Mahender Pal Singh	Chairman	Non-Executive Independent Director	5	5
Sh. Dapinder Paul Singh	Member	Non-Executive Independent Director	5	5
Sh. Ashok Kumar	Member	Non-Executive Independent Director	5	5

The Chairman of the Audit Committee was present at the Annual General Meeting to answer shareholders' queries.

### b) Remuneration Committee

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

The following are the members of Remuneration Committee:

S.No.	Name of Directors	Status	Category of Membership
1.	Sh. Ashok Kumar	Member	Non Executive Independent Director
2.	Sh. Dapinder Paul Singh	Member	Non Executive Independent Director
3.	Sh. Mahender Pal Singh	Member	Non Executive Independent Director

During the Financial year 2007-2008 under review, no matter relating to managerial remuneration was dealt with by Board. Therefore, no meeting of remuneration Committee was held during this period.

### Remuneration Policy

Subject to the approval of the Board of Directors and the subsequent approval by the shareholders at the General Body Meeting and such authorities as the case may be, remuneration of the Managing/Whole-time Directors is fixed by the Remuneration Committee. The remuneration is fixed considering various factors such as qualification, experience, expertise, prevailing remuneration in the competitive industries, financial position of the Company, etc. The remuneration structure comprises basic salary, commission, perquisites and allowances, contribution to provident fund and other funds in accordance with various related provisions of the Companies Act, 1956. The remuneration policy for Whole-time Directors is directed towards regarding performance, based on review of achievements. The non-executive Directors have not drawn any remuneration from the Company except sitting fee for meetings of the Board and Committees attended by them.

### Details of Remuneration paid to Directors

#### a) Executive Directors

Total Remuneration paid for the year ended March 31<sup>st</sup>, 2008 to Mr. Manminder Singh Narang, Managing Director, is Rs. 6, 00,000/-.

#### b) Non Executive Director

There was no sitting fee paid for attending the meetings.

#### c) Investors Grievance and Share Transfer Committee

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

## NUWAY ORGANIC NATURALS INDIA LTD.

Name	Status	No. of Meetings Held during The last fin. Year	No. of Meetings Attended
Sh. Mahender Pal Singh	Chairman	4	4
Sh. Dapinder Paul Singh	Member	4	4
Sh. Ashok Kumar	Member	4	4

### General Body Meeting

Details about Last 3 years Annual General Meetings are as under:

Sr. No.	Date	Venue	Time	Special Resolution
1.	30.09.2005	22, Pratap Colony, Model Garm, Ludhiana-141002	10.00 A.M.	No Special resolution was passed.
2.	27.09.2006	22, Pratap Colony, Model Garm, Ludhiana-141002	10.00 A.M.	No Special resolution was passed.
3.	29.09.2007	22, Pratap Colony, Model Garm,	10.00 A.M.	No Special resolution was passed.

Neither any Extra-Ordinary General Meeting was held nor any resolution was passed through Postal Ballot during the year under review.

### Disclosures

1. There are no materially significant related party transactions i.e. transactions material in nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. having potential conflict with the interest of the company at large.  
Details on materially significant related party transactions are shown in note no. 10 of schedule VI of the Balance Sheet as at 31/03/2008.
2. There has been no non compliance by the Company nor were any penalties or strictures 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 generally complied with all the mandatory requirements of Clause 49. As regard the non-mandatory requirements, Company tries to implement them to the extent possible.

### 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 not got published for the period under review except for quarter ended 30th June, 2007.

### Management discussions and analysis

Management discussions and analysis forms a part of this report.

### General Shareholders Information

a) Annual General Meeting	:	13 <sup>th</sup> Annual General Meeting
Date	:	30 <sup>th</sup> September, 2008
Day	:	Tuesday
Time	:	10.00 A.M.
Place	:	22, Pratap Colony, Model Garm, Ludhiana
Financial Year	:	1 <sup>st</sup> April, 2007 to 31 <sup>st</sup> March, 2008

## NUWAY ORGANIC NATURALS INDIA LTD.

### b) Financial Calendar

Tentative calendar of events for the financial year 2008-09 (April to March) is as under:

Adoption of Quarterly Financial Results for:

First Quarter	-	July 2008	Third Quarter	-	January 2009
Second Quarter	-	October 2008	Fourth Quarter	-	April/June 2009

### c) Book Closure

Book closure is from 29<sup>th</sup> September, 2008 to 30<sup>th</sup> September, 2008 (both days inclusive) for the purpose of Annual General Meeting.

### d) Listing at Stock Exchanges

Stock Exchange	Scrp Code
Bombay Stock Exchange Ltd., Mumbai	531819
The Delhi Stock Exchange Association Ltd	13301
Jaipur Stock Exchange Ltd.	N.A.
The Stock Exchange Ahmedabad	37842
Ludhiana Stock Exchange	MOHP

Listing fee for the year 2008-09 has been paid to all the Stock Exchanges.

### Market Price Data

There were no market price data available, as the Company' shares were not traded at Stock Exchanges during the period under review..

### Shareholders Complaints

Company has not received any complaint during the financial year 2007-08.

### Distribution of Shareholding

Distribution of Shareholding as at 31.03.2008

Shareholding	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Up to 5000	136	50.00	65,900	1.26
5001 - 10000	25	9.19	23,000	0.44
10001 - 20000	20	7.35	39,800	0.76
20001 - 30000	2	0.74	5,500	0.10
30001 - 40000	6	20.21	22,200	0.42
40001 - 50000	16	5.58	78,500	1.50
50001 - 100000	21	7.72	1,93,000	3.67
100001 and above	46	16.91	48,21,700	91.85
<b>TOTAL</b>	<b>272</b>	<b>100.00</b>	<b>52,49,600</b>	<b>100.00</b>

### Categories of Shareholding as at 31.03.2008 is as under:

Category	No. of Shares Held	% of Shareholding
Indian Promoters	3010200	57.34
Private Bodies Corporate	619100	11.80
Indian Public	1620300	30.86
<b>Total</b>	<b>5249600</b>	<b>100.00</b>

### Registrar & Transfer Agent/Investor Correspondence

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

## NUWAY ORGANIC NATURALS INDIA LTD.

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

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

### **Compliance Officer**

Sh. Manminder Singh Narang  
Chairman cum Managing Director  
Corporate Office: 24A, Shivaji Marg,  
Najafgarh Road, New Delhi - 110015  
Phone No. 011-25115933-34  
Fax: 011-25160499  
E-mail: nonil04@gmail.com

### **Plant Location**

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

### **Dematerialisation of Shares**

Company is yet to enter into agreements with NSDL & CDSL. The same could not do so far as the company could not get approval from all the Stock Exchanges. As the company has applied for delisting there are certain matters to be resolved with the Stock Exchanges. Company's management expects that the issue will be resolved in near future and dematerialization process will become operational.

### **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.**

#### **Details of Directors pursuant to clause 49 of the Listing Agreement:**

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PARTICULARS	Mr. Dapinder Paul Singh
Age	38 years
Qualification	Graduation
Experience	Mr. Dapinder Paul has good knowledge in export business. He has been in export business from last 16 years. He established his own company named Artmica Laminates Pvt. Ltd.
Directorship in Board of other Companies	1. Artmica Laminates Pvt. Ltd.
Shareholding as on 31.03.2008	Nil

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*By Order of the Board*  
For NUWAY ORGANIC NATURALS INDIA LTD

Sd/  
(Manminder Singh Narang)  
Managing Director

Place: Ludhiana  
Date : 27/08/2008

## **NUWAY ORGANIC NATURALS INDIA LTD.**

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### **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 31<sup>st</sup> March, 2008.

*By Order of the Board*  
For NUWAY ORGANIC NATURALS INDIA LTD

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

Place: Ludhiana  
Date : 27/08/2008

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

To  
The Members  
NUWAY ORGANIC NATURALS INDIA LTD

I have reviewed the compliance of conditions of Corporate Governance by NUWAY ORGANIC NATURALS INDIA LTD for the year ended 31<sup>st</sup> March 2008, 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 31<sup>st</sup> March, 2008 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

- (a) Company is yet to enter into agreement with NSDL & CDSL,
- (b) The company has not complied with the provisions of Clause 41 of the Listing Agreement except for the quarter ended 30th June, 2007.

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/-  
R.S.BHATIA  
Company Secretary In practice  
C.P.No. 2514

Place: Delhi  
Date: 27/08/2008

## **NUWAY ORGANIC NATURALS INDIA LTD.**

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

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 31<sup>st</sup> March, 2008 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 cum Managing Director

Place: Ludhiana  
Date : 27/08/2008

## NUWAY ORGANIC NATURALS INDIA LTD.

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### AUDITOR'S REPORT

To The Members of  
Nuway Organic Naturals India Ltd.

1. We have audited the attached Balance Sheet of Nuway Organic Naturals India Limited (the Company), as at 31<sup>st</sup>, March 2008, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. 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' of India (the 'Act') & on the basis of such checks of the books & records of the Company as we considered appropriate & according to the informations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

4. Further to our comments above, we report that :

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
2. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books maintained at the registered office of the Company at 22, Pratap Colony Model Gram, Ludhiana, 141008;
3. The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account ;
4. In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by

this report comply with the accounting standards referred to in sub- section (3C) of Section 211 of 'The Companies Act, 1956' of India (the 'Act') ;

5. On the basis of written representations received from the directors, as on 31<sup>st</sup>.March 2008 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup>. March 2008 from being appointed as a director in terms of clause (g) of sub - section (1) of section 274 of Act ;
6. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India.
  - (i) in the case of Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup>. March 2008;
  - (ii) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
  - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Alok Bajaj & Associates  
Chartered Accountants

Sd/-

(ALOK BAJAJ)

B.COM. (HONS) F.C.A.

Membership No. 084515

PROPRIETOR

Place : New Delhi

Date : 27/08/2008

## NUWAY ORGANIC NATURALS INDIA LTD.

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### ANNEXURE TO THE AUDITORS' REPORT

*(Referred to in paragraph 3 of our Report of even date on the accounts of NUWAY ORGANIC NATURALS INDIA LIMITED for the year ended March 31, 2008)*

- (i) (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) During the year, the Company has carried out physical verification of the fixed assets, under a phased programme of verification at reasonable intervals, which, in our opinion, is reasonable.
- (c) The Company has not disposed off a substantial part of the fixed assets during the year.
- (ii) (a) We are informed that the physical verification of inventory has been conducted during the year by the management at reasonable intervals.
- (b) The procedures 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. No material discrepancies were noticed on physical verification of inventory as compared to book records.
- (iii) The Company has not taken or given any loans, secured or unsecured, from/to companies, firms or other parties covered in the register maintained under section 301 of Companies Act, 1956, and therefore the other requirements need no comments.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems 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 & services). During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.
- (v) *In our opinion and according to the information and explanations given to us, there are no particulars of contracts or arrangements referred to in sec. 301 of the Act which have been entered in the register required to be maintained under that section and since no transaction was made in pursuance of such a contracts or arrangements entered in that register maintained under that section 301 of the Companies Act, 1956, we have no comments to make.*
- (vi) The Company has not accepted any deposits during the year from the public within the meaning of the provisions of Section 58A and 58AA of the Companies Act, 1956 and rules made there under. Hence, the clause (vi) of the order is not applicable.
- (vii) In our opinion, the Company has in general an internal audit system. The scope and coverage of internal audit needs to be extended and strengthened so as to make it commensurate with the size of the Company and nature of its business.
- (viii) We have been informed that the Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
- (ix) According to the information and explanations given to us and on the basis of records produced before us, the Company is generally 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 arrears of statutory dues were outstanding as at March 31, 2008 for a period of more than six months from the date they became payable.
- (x) The Company have accumulated losses Rs. 42,86,241.29 as at the March 31, 2008 and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xi) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to bank & has not raised any money from any financial institution or debenture holders.
- (xii) The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the provisions of any special statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/ Societies are not applicable to the Company.
- (xiv) According to the information and explanations given to us, the Company has not entered into transactions and contracts in respect of dealing and trading in shares, securities, debentures and other investment in shares only and timely entries in respect there of have generally been made therein. All shares, securities, debentures and other securities have been held by the Company in its own name.



## **NUWAY ORGANIC NATURALS INDIA LTD.**

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- (xv) According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xvi) The Company has not taken any term loan during the year.
- (xvii) On the basis of our overall examination of the balance sheet, we report that the funds raised on short-term basis have not been used for long-term investments.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
- (xix) The Company has not issued debentures during the financial year and hence, the question of creating security or changes in respect thereof does not arise.
- (xx) The Company has not raised any money by public issues during the year.
- (xxi) On the basis of our examination and according to the information and explanation given to us, no fraud, on or by the Company, has been noticed or reported during the course of our audit.

For Alok Bajaj & Associates  
Chartered Accountants

Sd/-  
( ALOK BAJAJ )  
B.COM. (HONS) F.C.A.  
PROPRIETOR  
Membership No. 084515

Place : New Delhi  
Date : 27/08/2008

# NUWAY ORGANIC NATURALS INDIA LTD.

## BALANCE SHEET AS AT 31ST MARCH, 2008

	Schedule	As at 31st March, 2008	As at 31st March, 2007
		Rs.	Rs.
<b>1) SOURCES OF FUNDS</b>			
<b>A) SHARE HOLDER'S FUNDS</b>			
a) SHARE CAPITAL	I	50,404,500.00	50,179,500.00
<b>2) SECURED LOAN</b>			
ING VYSYA BANK LTD.		1,826,122.03	0
<b>TOTAL (Rs.)</b>		<b>52,230,622.03</b>	<b>50,179,500.00</b>
<b>2) APPLICATION OF FUNDS</b>	II		
<b>B) FIXED ASSETS</b>			
(Including Work - in - progress)			
GROSS BLOCK		32,222,809.45	28,731,296.80
LESS: DEPRICIATION		308,982.18	(48,113.18)
		<b>31,913,827.27</b>	<b>28,683,183.62</b>
<b>C) CURRENT ASSETS, LOANS &amp; ADVANCES</b>	III		
a) STOCK-IN-TRADE		776,080.17	0.00
b) SUNDRY DEBTORS		4,525,832.30	0.00
c) INVESTMENTS		15,130,000.00	18,471,624.78
d) CASH & BANK BALANCES		1,908,147.55	374,935.42
e) OTHER CURRENT ASSETS		606,295.00	240,000.00
f) LOANS & ADVANCES		2,600,000.00	812,974.00
<b>TOTAL (a)</b>		<b>25,546,355.02</b>	<b>19,899,534.20</b>
<b>LESS : CURRENT LIABILITIES &amp; PROVISIONS</b>	IV		
a) CURRENT LIABILITIES		12,192,069.05	3,099,137.37
b) PROVISIONS FOR FBT		1,064.00	
<b>TOTAL (b)</b>		<b>12,193,133.05</b>	<b>3,099,137.37</b>
<b>NET CURRENT ASSETS (a - b)</b>		<b>45,267,049.24</b>	<b>16,800,396.83</b>
<b>D) PRELIMINARY EXPENSES</b>		<b>595,329.00</b>	
<b>E) MISC EXP TO THE EXTENT NOT WRITTEN OFF</b>	V	<b>1,938,164.50</b>	<b>1,409,819.15</b>
<b>F) PROVISIONS FOR DEFERRED REVENUE</b>		<b>143,838.00</b>	
<b>G) PROFIT &amp; LOSS A/C</b>		<b>4,286,241.29</b>	<b>3,286,100.40</b>
<b>TOTAL ( B + C + D + E )</b>		<b>52,230,622.03</b>	<b>50,179,500.00</b>
<b>ACCOUNTING POLICIES &amp; NOTES ON ACCOUNTS</b>	VI		

AS PER OUR SEPARATE AUDIT REPORT OF EVEN DATE ATTACHED  
FOR ALOK BAJAJ & ASSOCIATES  
CHARTERED ACCOUNTANTS

Sd/-  
(ALOK BAJAJ)  
PROPRIETOR

Sd/-  
(MANMINDER SINGH NARANG)  
(MG. DIRECTOR)

Sd/-  
(DAPINDER PAUL SINGH)  
(DIRECTOR)

Sd/-  
(ALKA SINGH)  
(COMPANY SECRETARY)

PLACE : LUDHIANA  
DATE : 27/08/2008

# NUWAY ORGANIC NATURALS INDIA LTD.

## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008

	Schedule	As at 31st March, 2008	As at 31st March, 2007
		Rs.	Rs.
<b>A) INCOME</b>			
SALES		11,427,086.00	0.00
STOCK TRANSFER		26,928.00	0.00
OTHER INCOME	ANNEXURE-1	13,330.00	341,736.14
BAD DEBT W/O & SHORT & EXCESS		0.00	0.00
CLOSING STOCK		776,080.17	0.00
<b>TOTAL (A)</b>		<b>12,243,424.17</b>	<b>341,736.14</b>
<b>B) EXPENDITURE</b>			
OPENING STOCK		0.00	0.00
GOODS PURCHASED		10,733,250.66	-
STOCK TRANSFER		26,928.00	-
ADMN. & ESTABLISHMENT EXP	ANNEXURE-2	2,067,766.40	999,557.93
<b>TOTAL (B)</b>		<b>12,827,945.06</b>	<b>999,557.93</b>
<b>PROFIT/LOSS BEFORE INTEREST/DEPRICIATION (A-B)</b>		<b>(584,520.89)</b>	<b>(657,821.79)</b>
FINANCIAL EXPENSES		0	0.00
<b>PROFIT/LOSS BEFORE DEP</b>		<b>(584,520.89)</b>	<b>(657,821.79)</b>
DEPRICIATION		260,869.00	12,808.72
<b>PROFIT/LOSS AFTER DEP</b>		<b>(845,389.89)</b>	<b>(670,630.51)</b>
PRELIMINARY EXP W/O		297,623.00	-
SHARE ISSUE EXP W/O		0.00	-
<b>PROFIT/LOSS BEFORE TAX</b>		<b>(1,143,012.89)</b>	<b>(670,630.51)</b>
PROVISION FOR FBT		966.00	4,880.00
PROVISION FOR DEFERRED REVENUE		143,838.00	-
<b>NET PROFIT/LOSS</b>		<b>(1,000,140.89)</b>	<b>(675,510.51)</b>
BALANCE B/F FROM LAST YEAR		(3,286,100.40)	(2,610,589.89)
<b>PROFIT/LOSS TRANSFER TO B/S</b>		<b>(4,286,241.29)</b>	<b>(3,286,100.40)</b>
<b>ACCOUNTING POLICIES &amp; NOTES ON ACCOUNTS</b>	VI		

AS PER OUR SEPARATE AUDIT REPORT OF EVEN DATE ATTACHED FOR ALOK BAJAJ & ASSOCIATES CHARTERED ACCOUNTANTS

Sd/-  
(ALOK BAJAJ)  
PROPRIETOR

Sd/-  
(MANMINDER SINGH NARANG)  
(MG. DIRECTOR)

Sd/-  
(DAPINDER PAUL SINGH)  
(DIRECTOR)

Sd/-  
(ALKA SINGH)  
(COMPANY SECRETARY)

PLACE : LUDHIANA  
DATE : 27/08/2008

## **NUWAY ORGANIC NATURALS INDIA LTD.**

**SCHEDULE OF SHARE CAPITAL AS ON 31/03/2008**

**SCHEDULE - I**

<b>PARTICULARS</b>	<b>As at 31st March, 2008</b>	<b>As at 31st March, 2007</b>
	<b>Rs.</b>	<b>Rs.</b>
<b><u>AUTHORISED SHARE CAPITAL</u></b>		
55,00,000 Equity shares of Rs.10/- each	<u>55,000,000.00</u>	<u>55,000,000.00</u>
<b>ISSUED SUBSCRIBED &amp; PAID UP CAPITAL</b>		
52,49,600 Equity shares of Rs.10/- each	52,496,000.00	52,496,000.00
<b>LESS:- UNPAID ALLOTMENT MONEY</b>	(2,091,500.00)	(2,316,500.00)
	<u>50,404,500.00</u>	<u>50,179,500.00</u>

# NUWAY ORGANIC NATURALS INDIA LTD.

SCHEDULE OF FIXED ASSETS AS ON 31/03/2008

SCHEDULE - II

PARTICULARS	GROSS BLOCK			DEPRECIATION BLOCK			W. D. V. BLOCK			
	OP. Bal. As On 01.04.2007	Additions during the year	Sales during the year	CL. Bal. As on 31.03.2008	Rate of Dep. (SLM)	Dep. upto 31.03.2007	Dep. During the year	Total Depreciation	WDV. As on 31.03.2008	WDV As on 31.03.2007
<b>TANJIBLE ASSETS</b>										
LAND	13,887,957.62	-	-	13,887,957.62	-	-	-	13,887,957.62	13,887,957.62	
BUILDING UNDER CONSTRUCTION	7,173,688.91	1,048,085.00	-	8,221,773.91	-	-	-	8,221,773.91	7,173,688.91	
FAX	20,431.00	-	-	20,431.00		9,819.00	1,476.00	11,295.00	9,136.00	10,612.00
PHOTOCOPIER	20,571.00	-	-	20,571.00		9,773.52	1,502.00	11,275.52	9,295.48	10,797.48
FURNITURE & FIXTURE	159,353.00	-	-	159,353.00		23,573.94	24,576.00	48,149.94	111,203.06	135,779.06
AIR CONCTIONER	44,000.00	-	-	44,000.00		4,129.00	5,546.00	9,675.00	34,325.00	39,871.00
STABILIZER	2,800.00	-	-	2,800.00		258.72	353.00	611.72	2,188.28	2,541.28
PLANT & MACHINERY	6,375,043.35	133,530.65	-	6,508,574.00		-	-154,155.00	154,155.00	6,354,419.00	6,375,043.35
ELECTRIC PANEL	745,821.92	409,559.00	-	1,155,380.92		-	27,365.00	27,365.00	1,128,015.92	745,821.92
INVERTOR	9,610.00	-	-	9,610.00		559.00	1259.00	1,818.00	7,792.00	9,051.00
GENERATOR	-	1,862,038.00	-	1,862,038.00		-	44,102.00	44,102.00	1,817,936.00	-
DIES & MOULDS	-	20,300.00	-	20,300.00		-	535.00	535.00	19,765.00	-
<b>INTANJIBLE ASSETS</b>										
TRADE MARK & DESIGNS	292,020.00	18,000.00	-	310,020.00		-	-	-	310,020.00	292,020.00
<b>TOTAL</b>	<b>28,731,296.80</b>	<b>3,491,512.65</b>	<b>-</b>	<b>32,222,809.45</b>		<b>48,113.18</b>	<b>260,869.00</b>	<b>308,982.18</b>	<b>31,913,827.27</b>	<b>28,683,183.62</b>
<b>PREVIOUS YEAR</b>	<b>18,160,914.33</b>	<b>10,570,382.47</b>	<b>-</b>	<b>28,731,296.80</b>		<b>35,304.46</b>	<b>12,808.72</b>	<b>48,113.18</b>	<b>28,683,183.62</b>	<b>18,125,609.87</b>

## NUWAY ORGANIC NATURALS INDIA LTD.

### SCHEDULE OF CURRENT ASSETS AS ON 31/03/2008

### SCHEDULE - III

PARTICULARS	As at 31.3.2008	As at 31.3.2007
	Rs.	Rs.
<b>CURRENT ASSETS</b>		
a) STOCK-IN-TRADE	<u>776,080.17</u>	-
TOTAL (a)	<u>776,080.17</u>	-
b) SUNDRY DEBTORS ANNEXURE-I	4,525,832.30	-
(UNSECURED BUT CONSIDERED GOOD)	-	-
OUTSTANDING FOR MORE THAN 6 MONTHS	-	-
TOTAL (b)	<u>4,525,832.30</u>	-
c) INVESTMENTS ANNEXURE-II	<u>15,130,000.00</u>	<u>18,471,624.78</u>
TOTAL (c)	<u>15,130,000.00</u>	<u>18,471,624.78</u>
d) CASH & BANK BALANCES		
CASH - IN - HAND	426,376.53	256,294.33
BALANCE WITH SCHEDULED BANKS :-		
IN CURRENT ACCOUNTS	<u>1,481,771.02</u>	<u>118,641.09</u>
TOTAL (d)	<u>1,908,147.55</u>	<u>374,935.42</u>
e) OTHER CURRENT ASSETS :-		
INCOME TAX REFUND DUE	312,854.00	
OTHER SECURITIES ANNEXURE-III	<u>293,441.00</u>	<u>240,000.00</u>
TOTAL (e)	<u>606,295.00</u>	<u>240,000.00</u>
f) LOANS & ADVANCES :- ANNEXURE-IV	2,600,000.00	812,974.00
(UNSECURED BUT CONSIDERED GOOD)		
(RECOVERABLE IN CASH OR KIND OR FOR		
THE VALUE TO BE RECEIVED)		
TOTAL (f)	<u>2,600,000.00</u>	<u>812,974.00</u>
<b>TOTAL (a + b + c + d + e + f)</b>	<u><b>25,546,355.02</b></u>	<u><b>19,899,534.20</b></u>

### SCHEDULE OF CURRENT LIABILITIES & PROVISIONS

### SCHEDULE - IV

Particulars	As at 31st March, 2008	As at 31st March, 2007
	Rs.	Rs.
<b>CURRENT LIABILITIES</b>		
SECURITY RECEIVED FROM CUSTOMERS ANNEXURE-V	500,000.00	0.00
ADVANCES RECEIVED FROM CUSTOMERS ANNEXURE-VI	707,019.50	0.00
ING VYSYA BANK LTD. ANNEXURE-VII	2,788,932.46	0.00
SUNDRY CREDITORS ANNEXURE-VIII	5,457,308.97	1,775,659.57
EXPENSES PAYABLE ANNEXURE-IX	1,798,343.80	1,323,477.80
DUTIES & TAXES ANNEXURE-X	940,466.32	0.00
<b>TOTAL</b>	<u><b>12,192,069.05</b></u>	<u><b>3,099,137.37</b></u>

## NUWAY ORGANIC NATURALS INDIA LTD.

### DEFERRED EXPENDITURE (MISCELLANEOUS EXPENDITURE TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED. SCHEDULE - V

S.NO.	PARTICULARS	As at 31.3.2008	As at 31.3.2007
		Rs.	Rs.
<b>A.</b>	<b>PURCHASE ACCOUNT</b>		
1	PACKING MATERIALS	0.00	2,496.00
2	PURCHASES COCONUT OIL	0.00	940.00
3	PURCHASES SOAP NOODLES	0.00	43,882.00
4	PURCHASES SOAP STONE POWER	0.00	165.00
5	PURCHASES TULSIPERFUME	0.00	6,663.00
6	PURCHASES LAB. MATERIALS	0.00	14,302.00
		<u>0.00</u>	<u>68,448.00</u>
<b>B</b>	<b>PROJECT EXPENSES</b>		
1	ADVERTISEMENT EXPENSES	62,820.00	62,820.00
2	BUSINESS PROMOTION	41,636.50	41,636.50
3	WAGES & SALARY A/C	126,000.00	84,000.00
4	RENT	288,000.00	332,000.00
5	LEGAL & PROFESSIONAL CHARGES	46,500.00	111,000.00
6	CONSULTANCY CHARGES	181,836.00	181,836.00
7	POLLUTION EXPENSES	110,000.00	138,000.00
8	REPAIRS & MAINTS	0.00	7,236.00
9	FESTIVAL EXPENSES	48,223.00	48,223.00
10	EXHIBITION CHARGES	22,500.00	22,500.00
11	SURVEY/TECHNICAL EXPENSES	239,000.00	239,000.00
12	PUBLIC HEARING & MEETING FEE	41,494.00	41,494.00
13	EXCISE DUTY FEE	700,000.00	-
		<u>1,938,164.50</u>	<u>1,309,745.50</u>
<b>C.</b>	<b>VAIT -CAPITAL GOODS</b>		
1	INPUT TAX 12.5%	0.00	1,799.65
2	INPUT TAX 4%	0.00	29,826.00
		<u>0.00</u>	<u>31,625.65</u>
	<b>TOTAL(A+B+C)</b>	<u>1938164.50</u>	<u>1,409,819.15</u>

## NUWAY ORGANIC NATURALS INDIA LTD.

SCHEDULE OF SUNDRY DEBTORS AS ON 31/03/2008

ANNEXURE - I

S. No.	Particulars	As at	As at
		31st March, 2008	31st March, 2007
		Rs.	Rs.
1	GANPATI SALES-HISAR	100,201.30	-
2	J.V.G. SUPPLIERS	79,955.00	-
3	LUXMI GENERAL STORE	62,897.00	-
4	LUXMI TRADING CO.	84,655.00	-
5	PARVESH SALES-HISAR	3,522.00	-
6	RDM CARE INDIA PVT. LTD.LDH	4,099,116.00	-
7	S.R. RESORT PVT. LTD.	16,436.00	-
8	R.G. ENTERPRISE	51,267.00	-
9	RDM CARE INDIA PVT. LTD.-HYDERABAD	15,271.00	-
10	RDM CARE INDIA PVT. LTD.-SAHNEWAL	13,090.00	-
		<b>4,526,412.30</b>	-
LESS:	RDM CARE INDIA PVT. LTD.-RISHIKESH	580.00	-
		<b>4,525,832.30</b>	0.00

SCHEDULE OF INVESTMENTS AS ON 31/03/2008

ANNEXURE - II

S. No.	Particulars	As at	As at
		31st March, 2008	31st March, 2007
		Rs.	Rs.
1	EQUITY SHARE - AYUR HERBALS PVT. LTD.	15,000,000.00	15,000,000.00
2	ADVANCE AGNST. LAND	130,000.00	130,000.00
3	TERM FDR	-	2,841,624.78
4	OPTIMIX MUTUAL FUND-ING VVSYA BANK LTD.	-	500,000.00
TOTAL		<b>15,130,000.00</b>	<b>18,471,624.78</b>

SCHEDULE OF SECURITY AS ON 31/03/2008

ANNEXURE - III

S. No.	Particulars	As at	As at
		31st March, 2008	31st March, 2007
		Rs.	Rs.
<b>SECURITY</b>			
1	ELETRICITY SECURITY	268,841.00	-
2	TELEPHONE SECURITY	24,600.00	-
		<b>293,441.00</b>	-



## NUWAY ORGANIC NATURALS INDIA LTD.

### SCHEDULE OF LOANS & ADVANCES AS ON 31/03/2008

ANNEXURE - IV

S. No.	Particulars	As at 31st March, 2008	As at 31st March, 2007
		Rs.	Rs.
1	ADVANCE ANNUAL LISTING FEE	0.00	120.00
2	ADVANCE EXCISE DUTY	0.00	500,000.00
3	TDS ON FDR	0.00	312,854.00
4	PRAJ INDUSTRIES LTD. (AGAINST MACHINERY)	2,100,000.00	0.00
5	B.M. PACKAGING (AGNST. MACHINERY)	500,000.00	0.00
	TOTAL	<u>2,600,000.00</u>	<u>812,974.00</u>

### SCHEDULE OF SECURITIES RECEIVED FROM CUSTOMERS AS ON 31/03/2008

ANNEXURE - V

S. No.	Particulars	As at 31st March, 2008	As at 31st March, 2007
		Rs.	Rs.
1	GANPATI SALES	200,000.00	0.00
2	SHREE SAI ANAND SALES	200,000.00	0.00
3	JAI GANESH AGENCIES	100,000.00	0.00
	TOTAL	<u>500,000.00</u>	<u>0.00</u>

### SCHEDULE OF ADVANCED RECEIVED FROM CUSTOMERS AS ON 31/03/2008

ANNEXURE - VI

S. No.	Particulars	As at 31st March, 2008	As at 31st March, 2007
		Rs.	Rs.
1	ASIAN TRADERS	326,361.00	0.00
2	JAGDAMBAY SALES-LDH	220,032.00	0.00
3	JAI GANESH AGENCIES-SHAMLI	69,736.00	0.00
4	SHREE SAI ANAND SALES	89,554.50	0.00
5	S.K. ENTERPRISES-HARIDWAR	668.00	0.00
6	S. TRADERS	668.00	0.00
	TOTAL	<u>707,019.50</u>	<u>0.00</u>

### SCHEDULE OF OTHER LIABILITIES AS ON 31/03/2008

ANNEXURE - VII

S. No.	Particulars	As at 31st March, 2008	As at 31st March, 2007
		Rs.	Rs.
1	ING VYSYA BANK LTD.-LDP	2,788,932.46	0.00
	TOTAL	<u>2,788,932.46</u>	<u>0.00</u>

# NUWAY ORGANICS NATURALS INDIA LTD.

SCHEDULE OF SUNDRY CREDITORS AS ON 31/03/2008

ANNEXURE - VIII

S. No.	Particulars	As at 31st March, 2008	As at 31st March, 2007
		Rs.	Rs.
1	ZENITH CHEMICAL & ALLIED INDS.	44,191.97	44,191.97
2	VIKRANT AGENCIES	-	484,474.00
3	PEARLS OF BEAUTY-28	5,322,471.00	0
4	THREE-N-PRODUCTS PVT. LTD. -KP	799,320.00	0
5	THREE-N-PRODUCTS PVT. LTD. -MP	846,627.00	-
6	THREE-N-PRODUCTS PVT. LTD. -RN	538,375.00	-
7	SACHEE AROMATICS LTD	65,986.00	6,663.00
8	VISHNU ART PRESS	312.00	3,736.00
9	CHEMICAL AND MINERAL INDUSTRIES PVT. LTD.	721.00	0.00
10	GALAXY SURFACTANTS LTD.	12,528.00	0.00
11	PACKAGING SOLUTIONS INTERNATIONAL	19,380.00	0.00
12	SUN SHINE INDIA INC.	2,457.00	0.00
13	WADSON ENTERPRISES	9,310.00	0.00
14	SUMMIT ADVERTISING	154,496.00	-
		7,816,174.97	539,064.97
<b>LESS:</b>	<b>ADVANCES PAID TO PURCHASES / SUPPLIER AS ON 31/03/2008</b>		
1	SHIVAM COOLDRINKS PVT. LTD.	2,256,795.00	0
		5,559,379.97	539,064.97
<b>B</b>	<b>SCHEDULE OF OTHER CREDITORS AS ON 31/03/2008</b>		
1	DMAS COMMUNICATION	91,899.00	-
2	RAINBOW ENGINEERS & CONTRACTORS	-	356,979.60
3	RAINBOW PRINTING & PUBLICITY	-	16,481.00
4	TRADE MARK PROTEC CO.	33,000.00	58,837.00
5	VISHNU ART PRESS	442.00	-
6	PANTHANK SAMACHAR	-	11,040.00
7	SANDEEP ENTERPRISES	73,215.00	-
8	ADHI SAKTHI PROJECTS	202,662.00	452,662.00
9	ALPS MARKETING CONCEPT	0.00	45,480.00
10	JEYAM TECHNOLOGY SERVICES	0.00	243,006.00
11	NATIONAL TRADING CORPORATION	0.00	940.00
12	SEA BIRD REFRIGERATION (P) LTD.	0.00	30,653.00
13	VEEKAY TRADING CO.	0.00	14,302.00
14	DHIMAN ELECTRICAL CO.	0.00	30,220.00
15	HIMACHAL TRADERS	0.00	1367.00
16	GREG-VIN ENGINEERS	10,300.00	0.00
17	CORPORATE DETECTIVE AND SECURITYM SERVICES	4,941.00	0.00
18	KULDEEP CONSTRUCTION COMPANY	1,411.00	0.00
		423,320.00	1,261,967.60
<b>LESS:</b>	<b>ADVANCES PAID TO SUPPLIERS AS ON 31/03/2008</b>		
1	LAXMI TRADING CO.	25,393.00	25,393.00
2	RAINBOW ENGINEERS & CONTRACTORS	500,000.00	0.00
		525,393.00	25,393.00
	<b>TOTAL</b>	<b>(102,073.00)</b>	<b>1,236,574.60</b>
<b>C</b>	<b>GRAND TOTAL (A+B)</b>	<b>5,457,306.97</b>	<b>1,775,639.57</b>

## NUWAY ORGANIC NATURALS INDIA LTD.

SCHEDULE OF EXPENSES PAYABLE ACCCOUNT AS ON 31/03/2008

ANNEXURE - IX

S. No.	Particulars	As at	As at
		31st March, 2008	31st March, 2007
		Rs.	Rs.
1	DELHI STOCK EXCHANGE	20,000.00	20,000.00
2	LUDHIANA STOCK EXCHANGE	61,600.00	61,600.00
3	AUDIT FEE PAYABLE	52,986.00	41,732.00
4	T.D.S PAYABLE	0.00	15,327.00
5	DIRECTOR REMUNERATION PAYABLE	1,438,707.00	971,583.00
6	SALARY & WAGES PAYABLE	62,000.00	11,000.00
7	BEETAL FIN. & COMPUTER SERV. P. LTD.	21,574.80	12,831.00
8	M.S. RIZVI	4,800.00	4,500.00
9	RENT PAYABLE-PEARLS OF BEAUTY	64,736.00	108,584.00
10	H.D. SHARAM & ASSOCATES	56,940.00	56,940.00
11	PEARLS OF BEAUTY	0.00	20,000.00
12	RENT PAYABLE-MANMINDER SINGH	15,000.00	
13	FBT PAYABLE	0.00	4,880.00
	<b>TOTAL</b>	<b>1,798,343.80</b>	<b>1,328,977.00</b>

SCHEDULE OF DUTIES & TAXES AS ON 31/03/2008

ANNEXURE - X

S. No.	Particulars	As at	As at
		31st March, 2008	31st March, 2007
		Rs.	Rs.
1	CENTRAL SALE TAX 3%	44,790.30	0.00
2	CENTRAL SALE TAX 4%	632.00	0.00
3	OUTPUT VAT	852,889.50	0.00
4	TDS PAYABLE	26,370.00	0.00
5	CENTRAL SALE TAX 1%	84.32	0.00
6	OUTPUT 12.50%	15,700.20	0.00
	<b>TOTAL</b>	<b>940,466.32</b>	<b>0.00</b>

## NUWAY ORGANIC NATURALS INDIA LTD.

### SCHEDULE OF OTHER INCOME AS ON 31/03/2008

ANNEXURE - 1

S. No.	Particulars	As at 31st March, 2008	As at 31st March, 2007
		Rs.	Rs.
1	INTEREST ON FDR	-	304,084.14
2	DIVIDEND ON MUTUAL FUND	13,330.00	37,652.00
	<b>TOTAL</b>	<b>13,330.00</b>	<b>341,736.14</b>

### SCHEDULE OF ADMINISTRATIVE & ESTABLISHMENT EXPENSES AS ON 31/03/2008

ANNEXURE - 2

S. No.	Particulars	As at 31st March, 2008	As at 31st March, 2007
		Rs.	Rs.
1	CONSUMABLE STORE	19,695.00	0.00
2	ELECTRICITY CHARGES	170,391.00	0.00
3	FREIGHT & CARTAGE INWARD	1,375.00	0.00
4	PRINTING & STATIONERY	37,862.00	16,713.00
5	TELEPHONE EXPENSES	6,321.00	8,520.00
6	TRAVELLING EXPENSES	37,493.00	15,135.00
7	ADVERTISEMENT EXPENSES	150,387.00	184,224.00
8	AUDIT FEES	25,000.00	16,836.00
9	LEGAL & PROFESSIONAL CHARGES	103,892.00	73,851.80
10	MISC. EXPENSES	1,292.00	2,020.00
11	FEES & TAXES	37,418.00	12,556.00
12	WAGES & SALARIES	313,945.00	24,000.00
13	RENT A/C	168,000.00	24,000.00
12	STAFF WELFARE	2,725.00	4,278.00
13	DIRECTOR REMUNERATION	600,000.00	600,000.00
14	MEETING EXPENSES	6,790.00	0.00
15	FAX & COURIER CHARGES	4,445.00	1,898.00
16	BANK CHARGES	15,169.89	14,430.79
17	REPAIRS & MAINTENANCES	2,534.00	0.00
18	SERVICE TAX	3,090.00	0.00
19	TRADE MARK REGD. & DESIGN	31,000.00	0.00
20	INTT. ON FBT	730.00	893.00
21	SHORT & EXCESS RECOVERY A/C	1.66	2.34
22	CONVEYANCE	6,765.00	200.00
23	INTT. ON F.D.R./TERM LOAN	278,572.85	0.00
24	INTT. ON LISTING FEE	120.00	0.00
25	GENERATOR REPAIRS&MAINTS	12,416.00	0.00
26	SECURITY CHARGES	30,336.00	0.00
		<b>2,067,766.40</b>	<b>999,557.93</b>

# NUWAY ORGANIC NATURALS INDIA LTD.

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS FOR  
THE YEAR ENDED MARCH 31ST, 2008

SCHEDULE - VI

## A. Significant Accounting Policies

### 1. System of Accounting :

The accounts have been prepared on the basis of Going Concern concept and under the historical cost convention. The Company adopts accrual basis in preparation of its accounts to comply in all material aspects with applicable accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

### 2. 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 revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results get materialized.

### 3. Revenue Recognition:

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

### 4. Valuation of Fixed and Intangible Assets:

Fixed Assets are valued at cost, after reducing accumulated depreciation until the date of the balance sheet. Direct Costs are capitalised until the assets are ready to use and include financing costs relating to any specific borrowing attributable to the acquisition of fixed assets. Intangible assets consist of expenses incurred/paid for acquisition of computer software, wherever applicable.

### 5. Depreciation and amortization:

Depreciation on fixed assets is provided on straightline basis at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956. Individual assets cost of which doesn't exceed Rs. 5,000/- each are depreciated in full in the year of purchase. Intangible assets are amortized over a period of three years for which the company expects the benefits to accrue, wherever applicable.

### 6. Valuation of Inventories:

Traded goods are valued at cost or net realized value, whichever is lower.

### 7. Preliminary Expenses:

Preliminary Expenses are amortized over a period of 10 years.

## B. Notes On Accounts

1. Contingent Liabilities not provided for, do not exist.

2. Payment of Gratuity Act, 1972 is not applicable to the company.

3. Foreign Exchange.

(i) In Flows \_\_\_\_\_ NIL.

(ii) Out Flows \_\_\_\_\_ NIL.

## NUWAY ORGANIC NATURALS INDIA LTD.

4. Quantitative Details in pursuance to the requirements under the Companies Act, 1956 are as:

	Cosmetics Qty.	Value (Rs.)	Mineral Water Qty.	Value (Rs.)	Playing Cards Qty.	Value (Rs.)
(a) Opening Stock	1,035.00	68,448.00	-	-	-	-
(b) Purchase during the year	367,269.00	8,106,069.66	504,496.00	2,133,483.00	31,500.00	425,250.00
	3,68,304.00	8,174,517.66	504,496.00	2,133,483.00	31,500.00	425,250.00
(c) Sales during the year (Sales amount without Profit margin)	3,22,450.00	7,540,187.49	504,496.00	2,133,483.00	31,500.00	425,250.00
Closing Stock	45,854.00	634,330.17	-	-	10,500.00	141,750.00
<b>Total</b>						<b>776,080.17</b>

5. Auditor's Remuneration includes

	2008 (Rs.)	2007 (Rs.)
Audit Fees	25,000.00	15,000.00
Tax Audit Fees	—	—
Certification/Others	—	15,000.00
Out of Pocket Expenses	—	—
Service Tax	3,090.00	3,672.00
	<u>28,090.00</u>	<u>33,672.00</u>

6. Related Party Disclosures:

As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India the disclosures of Related Parties and transactions since previous years as deemed in the Accounting Standard are given below:

**Nature of transaction**

Investment in Equity Shares of Ayur Herbals (P) Ltd. Rs. 1,50,00,000/-  
On par @ Rs. 10/- per equity share (Rs. 1,50,00,000/-)

**Note:**

1. Related parties are being recognised/identified by the management and relied upon by the auditors.
  2. Previous Year's figures are given in bracket.
7. No Earning Per Share has been calculated in view of brought forward accumulated losses and losses incurred during the year also.

## NUWAY ORGANIC NATURALS INDIA LTD.

8. Managerial Remuneration under Section 198 of the Companies Act, 1956 paid or payable during the financial year, to the directors is as under:

	<b>2008</b> (Rs.)	<b>2007</b> (Rs.)
Salaries and Allowances	600,000.00	600,000.00
Contribution to Provident and Other Funds	NIL	NIL
Commission Payable	NIL	NIL
Approximate money value of Perquisites and benefits	NIL	NIL
<b>Total</b>	<u>600,000.00</u>	<u>600,000.00</u>

Statement of Computation of Net Profit under Section 198(1) of the Companies Act, 1956.

	<b>2008</b> (Rs.)
Profit Before tax as per Profit and Loss Account	(1,143,012.89)
Add: Directors Remuneration paid/provided	600,000.00
Loss on Sale of Fixed Assets	-
Less: Profit on Sale of Investments (net)	<u>-</u>
Net Profit in accordance with Section 198(1)/349	<u>(543,012.89)</u>
Maximum remuneration payable, subject to the overall Ceiling of Section 198 and 309:	
To the Managing Director @ 5% of Profit Computed above.	-
To the other Directors @ 1% of Profit Computed above.	-

9. Reportable Segment - Business Segment

PARTICULARS	MINERAL WATER	COSMETIC PRODUCTS	ELIMINATION	CONSOLIDATED TOTAL
<b>Segment Revenue</b>				
External Sales	2,889,456.00	8,537,630.00	-	11,427,086.00
Inter Segment Sales	-	-	-	-
<b>Total Revenue</b>	<b>2,889,456.00</b>	<b>8,537,630.00</b>	<b>-</b>	<b>11,427,086.00</b>
<b>Segment Result</b>				
Segment Result	106,154.96	(425,433.00)	-	(319,278.04)
Unallocated Corporate Expenses	-	-	-	-
Operating Profit	106,154.96	(425,433.00)	-	(319,278.04)
Interest Expenses	17,825.61	260,747.24	-	278,572.85
Interest Incomes	-	-	-	-
Income Taxes	-	-	-	-
Profit from ordinary Activities	-	-	-	(597,850.89)
Extra ordinary Loss	-	-	-	-
	-	-	-	-

## NUWAY ORGANIC NATURALS INDIA LTD.

<b>Segment Result</b>				
Segment Assets	12,657,880.50	55,464,252.09	(10,974,804.30)	57,147,328.29
Unallocated Corporate Assets	-	-	-	-
<b>Total Assets</b>	<b>12,657,880.50</b>	<b>55,464,252.09</b>	<b>(10,974,804.30)</b>	<b>57,147,328.29</b>
Segment liabilities	2,706,276.52	22,260,826.86	(10,974,804.30)	13,992,299.08
Depreciation	18,205.60	290,776.58	-	308,982.18
Other Non Cash Expenses	-	297,623.00	-	297,623.00

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

	<b>Cosmetic Products</b>	<b>Mineral water</b>
Ludhiana Unit	8,429,198.00	2,374,801.00
Baddi Unit	108,432.00	-
Delhi Unit	-	514,655.00

B. Sales Revenue, Expenses, Assets & Liabilities of Ludhiana Unit were accordingly shared between cosmetic products & mineral water in the ratios of their sales at ludhiana unit

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

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

10. Disclosure in respect of Related Party as defined in Accounting Standard (AS)-18, with whom transactions were carried out in the ordinary course of business during the year as given below:

A. Subsidiary Companies (Direct Holding)

N.A.

B. Other associate concern where common control exists and with whom the company had transactions during the year.

Pearls of Beauty, Three-N-Products Pvt. Ltd., R.D.M. Care India Pvt. Ltd. and Shivam Cooldrinks Pvt. Ltd.

C. Directors, key managerial personnel and their relatives.

Mr. Manminder Singh Narang Chairman cum Managing Director

**Details of Transactions**

Details of Transactions	Associates		Key Managerial Persons	
	2007-08 Rs.	2006-07 Rs.	2007-08 Rs.	2006-07 Rs.
Directors Remunration	-	-	6,00,000	6,00,000
Purchase of Goods	99,65,526	-	-	-



## **NUWAY ORGANIC NATURALS INDIA LTD.**

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11. In the absence of information regarding sundry creditors with regard to their status as Small Scale Industrial Undertakings, it is not possible to determine the amount, if any, payable to sundry creditors falling within the meaning of Small Scale Industrial Undertaking.
12. Previous Year figures have been regrouped / rearranged wherever necessary to make them comparable.
13. In the opinion of the management, the current assets, Loans & Advance have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.
14. Due to losses as per Income Tax Act no provision for Income Tax has been made.
15. Schedule I to VI form an integral part of balance sheet and P/L Account.

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AS PER OUR SEPARATE AUDIT REPORT OF EVEN DATE ATTACHED  
FOR ALOK BAJAJ & ASSOCIATES  
CHARTERED ACCOUNTANTS

Sd/-  
(ALOK BAJAJ)  
PROPRIETOR

Sd/-  
(MANMINDER SINGH NARANG)  
(MG. DIRECTOR)

Sd/-  
(DAPINDER PAUL SINGH)  
(DIRECTOR)

Sd/-  
(ALKA SINGH)  
(COMPANY SECRETARY)

PLACE : LUDHIANA  
DATE : 27/08/2008

# NUWAY ORGANIC NATURALS INDIA LTD.

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Schedules Forming part of the Financial Statements for the year ended March 31, 2008.

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE FOR THE YEAR ENDING 31.03.08

<b>(i) REGISTRATION DETAILS</b>	
State Code	16
Registration No.	16755
Balance Sheet Date	31.03.2008
<b>(ii) CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSANDS)</b>	
Public Issue	Right Issue
NIL	NIL
Bonus Issue	Private Placement
NIL	NIL
<b>(iii) POSITION OF MOBILISATION AND DEVELOPMENT OF FUNDS (AMOUNT IN RS. THOUSANDS)</b>	
Total Liabilities	Total Assets
52,230.00	52,230.00
Sources of Funds	
Paid Up Capital	Reserve & Surplus
50,404.00	NIL
Secured Loans	Unsecured Loans
1,826.00	NIL
Application of Funds	Investments
Net Fixed Assets	15,130.00
31,314.00	Misc. Expenditures
Net Current Assets	2,677.00
(1,777.00)	Accumulated Losses
	4,286.00
<b>(iv) PERFORMANCE OF COMPANY (AMOUNT IN RS. THOUSANDS)</b>	
Turnover including other incomes	Total Expenditure
11,467.00	2,068.00
Profit / Loss Before Tax	Profit / Loss After Tax
(1,143.00)	(1,000.00)
Earning per share in Rs.	
N.A.	
<b>(v) GENERIC NAMES OF THREE PRINCIPAL PRODUCTS OF COMPANY</b>	
Item Code No.	—
Product Description	—

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AS PER OUR SEPARATE AUDIT REPORT OF EVEN DATE ATTACHED  
FOR ALOK BAJAJ & ASSOCIATES  
CHARTERED ACCOUNTANTS

Sd/-  
(ALOK BAJAJ)  
PROPRIETOR

Sd/-  
(MANMINDER SINGH NARANG)  
(MG. DIRECTOR)

Sd/-  
(DAPINDER PAUL SINGH)  
(DIRECTOR)

Sd/-  
(ALKA SINGH)  
(COMPANY SECRETARY)

PLACE : LUDHIANA  
DATE : 27/08/2008

# NUWAY ORGANIC NATURALS INDIA LTD.

## CASH FLOW STATEMENT FOR THE YEAR ENDING 31/03/2008 PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT

<b>PARTICULARS</b>	<b>(Amount)</b>	<b>Total</b>
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit after tax & extra ordinary items		(1,000,140.89)
ADJUSTMENT FOR:-		
a) Depreciation	260,869.00	
b) Foreign Exchange	0.00	
c) Investments	0.00	
d) Interest / dividend / others	(13,330.00)	
e) Amortisation of Misc. Expenditures	(528,345.35)	
f) Preliminary expenses written off	(595,329.00)	
g) Provision for FBT	1,064.00	
h) Provision for deferred revenue	<u>(143,838.00)</u>	(1,018,909.35)
PROFIT BEFORE WORKING CAPITAL CHANGE(S)		(2,019,050.24)
ADJUSTMENT FOR:-		
a) Trade & other receivables	(6,679,153.30)	
b) Inventories	(776,080.17)	
c) Trade Payable	<u>9,092,931.88</u>	
CASH GENERATED FROM OPERATIONS:-		(381,352.03)
a) Interest Paid	0.00	
b) Direct Taxes Paid	0.00	
CASH FLOW BEFORE EXTRA ORDINARY ITEMS		(381,352.03)
a) Extraordinary items	0.00	
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(3,491,512.65)	
Sale of Fixed Assets	0.00	
Acquisition of Companies	0.00	
Purchase of Investments	0.00	
Sale of Investments	3,341,624.78	
Interest & Agriculture Income Received	0.00	
Dividend received	<u>13,330.00</u>	
NET CASH USED IN INVESTING ACTIVITIES		(136,557.87)
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Allotment Money	225,000.00	
Proceeds from Long Term Borrowings	1,826,122.03	
Repayment of Finance lease liabilities	0.00	
Dividend Paid	<u>0.00</u>	
NET CASH USED IN FINANCING		2,051,122.03
Net increase in Cash & cash equivalents		1,533,212.13
Cash & cash equivalent as on 01/04/2006		374,935.42
Cash & cash equivalent as on 31/03/2007		1,908,147.55

Note: FIGURES IN BRACKETS SHOW CASH OUTFLOW

**We have audited the Cash Flow Statement & found the same as true & correct**

AS PER OUR SEPARATE AUDIT REPORT OF EVEN DATE ATTACHED  
FOR ALOK BAJAJ & ASSOCIATES  
CHARTERED ACCOUNTANTS

Sd/-  
(ALOK BAJAJ)  
PROPRIETOR

Sd/-  
(MANMINDER SINGH NARANG)  
(MG. DIRECTOR)

Sd/-  
(DAPINDER PAUL SINGH)  
(DIRECTOR)

Sd/-  
(ALKA SINGH)  
(COMPANY SECRETARY)

PLACE : LUDHIANA  
DATE : 27/08/2008

**NUWAY ORGANIC NATURALS INDIA LTD.**

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

**PROXY FORM**

Regd. Folio No. ....

I/We.....  
of.....being a Member / Members  
of NUWAY ORGANIC NATURALS INDIA LTD. hereby appoint.....  
of.....  
or failing him / her,.....  
of.....  
as my / our proxy to vote for me/us on my / our behalf at the 13TH ANNUAL GENERAL MEETING of the  
Company to be held on Tuesday, the 30th September, 2008 at 10.00 A.M. and at any adjourment thereof.

Signed this.....day of.....2008.

Signature.....

Affix  
Revenue  
Stamp

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

**NUWAY ORGANIC NATURALS INDIA LTD.**

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

**ATTENDANCE SLIP**

TO BE HANDOVER AT THE ENTRANCE OF MEETING HALL  
13TH ANNUAL GENERAL MEETING-30TH SEPTEMBER, 2008

I/We hereby record my / our presence at the 13TH ANNUAL GENERAL MEETING of the Company to be held  
on Saturday, the 30th September, 2008 at 10.00 A.M. at the Regd. office of the Company at 22, Pratap Colony,  
Model Gram, Ludhiana (Punjab)

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

Address.....

No.of shares held.....

\*Strike out which ever is not applicable

Signature of Member / Proxy

Note : Shareholders are advised that the Company has decided not to distribute any gifts at the AGM

U. P. C.

*If undelivered please return to :*

**NUWAY ORGANIC  
NATURALS INDIA LTD.**

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