

20TH ANNUAL REPORT

2010-2011

Board of Directors

Mr. Nirmal Modi
Mr. Deepak Agarwal
Mr. V. K. Srivastava
Mr. Abhishek Modi

Company Secretary

Mr. Subrata Pradhan

Auditors

Sanjay Jagdish & Co
Chartered Accountants

Registered Office

3rd Floor, Drupadi Mainson,
11, Braubourne Road,
Kolkata – 700 001

Bankers

The Federal Bank Limited

Registrars & Share Transfer Agents

ABS Consultants Private Limited
Room No. – 99, 6th Floor
Stephen House, 4, B. B. D. Bag (East)
Kolkata – 700 001

NOTICE

Notice is hereby given that the 20th Annual General Meeting of the Members of M/s N. R. International Limited will be held on Saturday, September 24, 2011 at 10.00 a.m. at the Merchants Chamber of Commerce, 15-B, Hemanta Basu Sarani, Kolkata - 700 001 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2011 and the Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint Director in the place of Mr. Vinod Kumar Srivastava who retire by rotation and being eligible, offer him for re-appointment.
3. To regularize the appointment of Additional Director.

"RESOLVED THAT pursuant to the provisions of Section 257 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 1956, Mr. Abhishek Modi who was appointed as an Additional Director in the meeting of the Board of Directors held on 01.03.2011 and whose term and whose term expires at the ensuing Annual General Meeting of the company and for the appointment of whom the Company has received a notice in writing proposing his candidature for the office of the Director be and is hereby appointed as a Director of the Company whose period of office will be liable to determination by retirement of directors by rotation".

"RESOLVED FURTHER THAT Mr. Deepak Agarwal, Managing Director be and is hereby authorized to do all the acts, deeds and things which are necessary to give effect to the above said resolution."

4. To appoint Auditors and to fix their Remuneration and to pass, with or without modification, the following resolution, which will be proposed as an Ordinary Resolution:

"RESOLVED that M/s Sanjay Jagdish & Co., Chartered Accountants, be and are hereby appointed as Auditor of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and that the Audit Committee of the Board of Directors be and is hereby authorised to determine the remuneration payable to the Company's Auditor."

By Order of the Board

Place: Cuttack
Date: 24.08.2011

Sd/-
Subrata Pradhan
Company Secretary

NOTES:-

1. A member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of the meeting.
2. The Share Transfer Books and Register of Members of the Company will remain closed from 16.09.2011 to 24.09.2011 (both days inclusive).
3. Members are requested to produce the enclosed Attendance Slip duly signed as per the specimen signature with the Company / Depository Participant for admission to the Meeting Hall.
4. Members who hold shares in de-materialised form, are requested to bring their Client ID and DP ID Nos. for easier identification of attendance at the Meeting.
5. Members holding shares in physical form, are requested to notify immediately any change in their address and bank particulars to the Company or its Share Transfer Agents and in case their shares are held in de-materialised form, this information should be passed on directly without any delay to their respective Depository Participants and not to the Company or the Share Transfer Agents.
6. In all correspondence with the Company, members are requested to quote their folio numbers and in case their shares are held in de-materialised form, they must quote their DP ID and Client ID Numbers.
7. Members holding shares in physical form can now avail the facility of nomination in respect of shares held by them pursuant to amendment in the Companies Act, 1956. The prescribed Form (Form-2B) can be obtained from the share department of the Company on request. Members desiring to avail this facility may send their nomination forms duly filled in to the Company or its Share Transfer Agents by quoting their respective Folio Numbers.
8. Investors / Shareholders are requested to kindly note that if physical documents viz. Demat Request Forms (DRF) and Share Certificates etc. are not received from their DP's by the Share Transfer Agents (STA) within a period of 15 days from the date of generation of the DRN for dematerialisation, the DRN will be treated as rejected / cancelled. Upon rejection / cancellation of the DRN a fresh DRF has to be forwarded along with the Share Certificate by the DP's to the STA. This note is only to caution investors / shareholders that they should ensure that their DP's do not delay in sending the DRF and share certificates to the STA after generating DRN.

By Order of the Board

Place: Cuttack
Date: 24.08.2011

Sd/-
Subrata Pradhan
Company Secretary

Chairman's Message

Dear Shareholders,

It gives me immense pleasure in welcoming you to the 20th Annual General Meeting of your Company. The Director's Report and Audited Accounts for the year ended 31st March, 2011 are already with you and with your permission, I take them as read. Before I take up the agenda for today's meeting, I would like to share with you some of my perception relating to the Coal & Steel Industry and the performance of NRIL, as well as the growth opportunities pursued by the Company.

The Steel Industry and its allied industries like sponge iron suffered depressed prices which has put tremendous pressure on margin. As a commodity product sponge iron witnessed a reduction in selling price even as raw material prices were sky high, mirroring industry trends. N R International Limited also suffered the limitation of the economic scenario.

Due to continues precarious condition of the World Economy and especially Global Price Recession in steel, coal & coke sector the turnover of the Company has reduced from Rs. 85.21 Crores to Rs. 30.75 Crores. The loss before tax and after tax is Rs. 1.29 crores & Rs. 2.59 crores respectively, which restricts your Board of Directors for recommendation of dividend for the financial year ended as on 31.03.2011. In spite of adverse market condition for the steel, coal & coke sector, your Company did well by minimizing the loss before tax and also the cash loss as compared to the previous year 2009-10. Loss after tax has increased due to the provisioning of deferred taxation.

However it is heartening that despite above constraint, the Company now trying to consolidate its business activities to get back into a good track which will help to increase profit in future. The Company is also in the process of establishing the Coal Beneficiation Plant at Tangi, Cuttack, Orissa and the working of the plant will lead to good position for the company. Right now the Company is exploring other business opportunities wherein the growth will stable and consistent beside concentrating on Logistic , Handling and Coastal Sea Transportation business which will derive more earning for the future years.

On behalf of the Company and all of you, I take this opportunity to thank our valued customers, investors, suppliers, bankers, consultants, the Member of the Board, the Government of India, the Government of Orissa and in particular, the NRIL collective, for their excellent support and co-ordination to achieve yet another year of success for the Company. We are committed to strive together as a team to attain the main objective of the Company while ensuring our economical, social & moral commitments.

I once again welcome you and thank you for the confidence you have reposed on us.

Sd/-
Nirmal Modi
Chairman

DIRECTOR'S REPORT

To
The Members of
N. R. INTERNATIONAL LIMITED

Your Directors have pleasure in presenting their 20th Annual Report together with the audited accounts of the Company for the year ended March 31, 2011.

FINANCIAL RESULTS

The performance of the Company for the financial year ended 31st March 2011 is summarized below:

	As at 31.03.2011 (Rs.)	As at 31.03.2010 (Rs.)
	-----	-----
Working for the year yielded a Profit before depreciation, Interest, and tax	42,406,822	21,997,403
Less : Interest & Finance Charges	4,46,59,416	42,039,245
	-----	-----
Profit before Depreciation and Tax	(22,52,594)	(20,041,842)
Less Depreciation	10,675,350	11,989,226
	-----	-----
Profit before Tax	(12,927,944)	(32,031,068)
Less : Provision for taxation		-
Deferred Tax	12,454,574	(9,719,452)
Current Tax	-	-
Income Tax for earlier years	5,27,625	-
	-----	-----
Profit after tax	(25,910,143)	(22,311,616)
Add : Surplus brought forwards previous year	4,233,759	26,545,375
	-----	-----
Surplus carried to Balance Sheet	(21,676,384)	4,233,759
	=====	=====

DIVIDEND

As the company has incurred loss during the current financial year, your directors could not recommend any dividend of for the year.

REVIEW OF OPERATION

Due to continues precarious condition of the World Economy and especially Global Price Recession in steel, coal & coke sector the turnover of the Company has reduced from Rs. 85.21 Crores to Rs. 30.75 Crores. Loss before taxation has reduced from Rs. 3.20 Crores to Rs. 1.29 Crores. However, net loss after taxation has increased due to provisioning for deferred taxation.

FUTURE OUTLOOK

1. To set-up one 0.9 MTPA capacity of Coal Beneficiation Plant at Bainchua, Tangi, Cuttack.

RESERVES

The total Reserves as on 31st March 2011 has been reduced from Rs.1601 Lacs to Rs. 1548 Lacs.

PARTICULARS OF EMPLOYEES

Information as per section 217(2A) of Companies Act, 1956 has not been given as none of the employees are in receipt of remuneration in excess of the limits prescribed therein.

FIXED DEPOSITS

Your company has not accepted any deposits as such; no amount of principal or interest is outstanding on the date of the Balance Sheet.

DIRECTORS

1. Mr. Vinod Kumar Srivastava, Directors, retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.
2. Regularisation of Mr. Abhishek Modi, Additional Director at the ensuing Annual General Meeting as director.

AUDITORS

M/s Sanjay Jagdish & Co, Chartered Accountants, Auditor of the Company retire at the conclusion of this Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a certificate from them to the effect that their reappointment, if made, would be within the limits prescribed under section 224(1B) of the Companies Act, 1956.

AUDITORS' REMARKS

The notes to the accounts referred to in the Auditors Report are self-explanatory and therefore do not call any further comments.

DIRECTORS RESPONSIBILITY STATEMENT

Your Directors hereby 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 of the company for that period;
- iii) that directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that directors had prepared the annual accounts on a going concern basis.

PARTICULARS OF ENERGY CONSERVATION, ETC.

Particulars with respect to conservation of energy as per section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in report of Directors) Rules, 1988 are as under :

- | | |
|---------------------------|-----|
| 1. Conservation of energy | NIL |
| 2. Technology Absorption | NIL |

3. Foreign Exchange Earning and out go
- | | | | |
|----|--------------------------|-----|-----|
| a. | Foreign Exchange Earning | Rs. | NIL |
| b. | Foreign Exchange Outgo | Rs. | NIL |

LISTING WITH STOCK EXCHANGES

The equity shares of the Company are listed in following Stock Exchanges as at 31.03.2011:

Name of Stock Exchanges	Trading approval Obtained on	Scrip Code
Calcutta St. Ex. Association Ltd., Kolkata.	24.03.2005	NIL
The Stock Exchange, Mumbai.	07.04.2005	532623
The BBSR St. Ex. Association Ltd, BBSR	07.04.2005	NIL
The Stock Exchange, Ahmedabad.	19.05.2005	41081

CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on Corporate Governance Practices followed by the Company together with a certificate from the Company's Auditors confirming compliance is set out in the Annexure forming part of this report.

DEMATERIALISATION OF SHARES

The Company has got the approval for dematerialisation of shares from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have option to dematerialize the shares with any Depository under demat ISIN Number for both NSDL & CDSL is INE605F01017. Out of 1,06,74,395 Nos. of Equity Shares, the total number of shares held under NSDL & CDSL folios as at 31.03.2011 is furnished as under:

NSDL Folio :	7,226,799	:	68% of the total Equity Shares
CDSL Folio :	3,93,621	:	4% of the total Equity Shares

ACKNOWLEDGEMENT

Your Directors would like to express their sincere thanks to various State and Central Government Departments, Bankers, Consultants, Advisors, Shareholders and Investors for their valuable co-operation and continued support throughout the year to the Company. Your Directors would also sincerely acknowledge the significant contribution made by the Executives, Staff and workers for their dedicated services to the company.

For and on behalf of the Board

Sd/-
Deepak Agarwal
Managing Director

The 24th day of August, 2011

Auditor's Report to the Members of
M/s N. R. INTERNATIONAL LIMITED

We have audited the annexed Balance Sheet of **N. R. INTERNATIONAL LIMITED** as at 31st March 2011 and also the Profit & Loss Account for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these Financial Statements based on our audit.

We conducted our audit in accordance with Auditing Standards Generally Accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit 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.

As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of subsection (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matter specified in paragraphs 4 & 5 of the said Order.

1. Further to our Comments in the Annexure referred to above, we report that:

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books;
- c) The Balance Sheet, the Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, Balance Sheet, the Profit & Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the Directors, as on 31st March 2011, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2011 from being appointed as a Director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956;

- f) In our opinion and to the best of our information and according to the explanations given to us, the accounts give the information required by the companies Act, 1956 in the manner so required and give a true & fair view in conformity with the Accounting Principles Generally Accepted in India;
- i) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March 2011,
- ii) In the case of Profit & Loss of the loss of the Company for the year ended on that date and
- iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Sanjay Jagdish & Co

Chartered Accountants

Sd/-

Sanjay Kumar Agarwal
Proprietor

Place : Kolkata

Date : 24th August, 2011

Re: N. R. INTERNATIONAL LIMITED

- i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) As explained to us, the fixed assets of the company have been physically verified by the management at reasonable interval and no material discrepancies were noticed on such verification.**
- (c) During the year, the company has disposed off the manufacturing unit situated at Kuspangi unit to M/s Mahabali Alloys P Ltd at College Square, Cuttack at a total consideration of Rs. 5.00 crore as per MOU dated 29.04.2010. However, it does not effect the going concern of the company. The company has earned a profit of Rs. 17,33,264.89 by this transaction.*
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification carried out at the end of the year.
- (iii) (a) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act and accordingly, paragraphs 4(iii), (b), (c) and (d) of the Order are not applicable.
- (iii)(e) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act and accordingly, paragraph 4(iii) (f), (g) and (h) of the Order are not applica
- (iv) In our opinion there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of investments and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v)(a) According to information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
- (b) In our opinion and according to the information and explanation given to us, the transactions in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs have been entered during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposit from the Public.

(vii) ***The internal audit of the company has been done in house under the supervision of the Managing Director on periodical basis. In our opinion, the Internal Audit System of the company is needs to be strengthened commensurate to the size and nature of its business.***

(viii) The company is maintaining cost records as prescribed by the Central Government to the Company under clause (d) of sub-section (1) of section 209 of the Act. However, the said records have not been verified by us.

(ix)(a) According to the records of the Company, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth-tax, Service-tax, Custom Duty, Excise Duty, Cess and any other material statutory dues wherever applicable to it. However in certain cases the said amount has been deposited beyond the due date.

(b) According to the information and explanations given to us an undisputed sum of Rs. 4,65,050.50 on account of service tax has been outstanding at the year end for a period of more than six months.

(c) According to the information and explanation given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, custom duty, excise duty and cess which have not been deposited on account of any dispute except the following :

Statute Name	Period to which it relates	Forum where matter is pending	Amount (Rs)
Income Tax Act, 1961	A Yr : 1998-99	Income Tax Appellate Tribunal, Kolkata	12,97,859
Income Tax Act, 1961	A Yr : 1998-99	Commissioner of Income Tax – IV, Kolkata	1,13,292
Orissa VAT Act	01.04.2005 – 31.03.2008	Under appeals with respective department	5,22,86,361

(x) The Company has accumulated loss of Rs. 2,16,76,384/- as at the end of the financial year. It has incurred cash loss of Rs. 22,52,594/- in the current financial year and Rs. 2,00,41,842/- in the immediately preceding financial year.

(xi) ***Based on our audit procedures and as per the information and explanations given by the management, it is observed that the credit facilities of the company with The Federal Bank Ltd, 1 R N Mukherjee Road, Kolkata – 700 001 has become non performing assets and the bank has issued notice under section 13(2) of the SARFAESI Act, 2002. Apart from that the Company has not defaulted in repayment of dues to a financial institution or debenture holders. (Refer Note No.1)***

(xii) According to records of the Company and on the basis of 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.

(xiii) In our opinion, 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.

(xiv) 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.

- (xv) The Company has given corporate guarantee for loans taken by an associate company from a Bank without complying with the provisions of section 295 and 372 A of the Companies Act, 1956. Further, in the absence of express terms and conditions of such guarantee and availability of financial information about borrower, we do not opine on the reasonableness thereof.
- (xvi) The Company has obtained term loans from banks / financial institutions against hypothecation of machineries, vehicles etc which has been utilized for the purpose for the purpose for which these loans were obtained.
- (xvii) According to the Financial Statements and other records examined by us and the information and explanations given to us, on an overall basis, portion of funds raised on short term basis have been utilized for long term investments. We are not in a position to quantify the same in the absence of proper segregation and audited accounts of associate concerns.
- (xviii) The Company has not raised any fund on short-term basis or on long-term-basis by way of equity share capital.
- (xix) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- (xx) The Company has not issued any debentures during the year.
- (xxi) The Company has not raised any money by public issue.
- (xxii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For Sanjay Jagdish & Co
Chartered Accountants

Sd/-
Sanjay Kumar Agarwal
Proprietor

Place : Kolkata

Date : 24th August, 2011

CORPORATE GOVERNANCE

The Equity Shares of the Company has been listed at Bombay, Kolkata, Ahmedabad & Bhubaneswar Stock Exchanges. Accordingly the Corporate Governance Report for the financial year 2010-11 has been prepared pursuant to Clause 49 of the Listing Agreement containing the details relating to the previous years commencing from the date of listing:

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The company firmly believes in and has consistently endeavored to practice good corporate governance. A sound governance process consists of a combination of business practice, which results in enhanced shareholders value and enables the company to fulfill its obligations to customers, employees, financiers and to the society in general. The company further believes that such practices are founded upon the core values of transparency, empowerment, accountability, independent monitoring and environment consciousness. The company makes its best endeavor to uphold and nurture these core values across all aspects of its operations.

BOARD OF DIRECTORS

COMPOSITION AND CATEGORY

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board. The Board consists of:

- Two promoter, executive directors
- Two independent non- executive directors.

The composition of Board of Directors and also the number of other Board of Directors or Board Committees of which he is a member / Chairperson are as under:

<i>Name of the director.</i>	<i>Category</i>	<i>No. of other directorship</i>	<i>No. of membership of other Board Committee.</i>	<i>No. of Board Committee for which chairperson.</i>
Shri Nirmal Modi	Promoter- executive	1	3	2
Shri Deepak Agarwal	Promoter- executive	1	Nil	Nil
Shri V. K. Srivastava	Independent non-executive	Nil	3	1
Sri Abhishek Modi	Independent non-executive director	Nil	3	Nil

Notes:-

- * Mr. Abhay Kumar (Independent Director), Mr.Ajay Singh Chauhan(Independent Director) & Mr. B.R. Nanda(Director) Resigned from Board of Directors w.e.f. 01-03-2011
- * Mr. Abhishek Modi (Independent Director) appointed to the Board of Directors w.e.f. 01.03.2011

ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING.

During the financial year ended 31 March 2011, Board meetings were held on, 30th April, 2010, 15th July, 2010, 30th July, 2010, 9th August, 2010, 28th August, 2010, 27th September, 2010, 28th October, 2010, 30th October, 2010, 3rd November, 2010, 28th December, 2010, 6th January, 2011, 3rd February, 2011, 11th February, 2011, 17th February, 2011, 01st March, 2011. The attendance of each director at these Board meetings and the last Annual General Meeting (AGM) was as follows:

Name of the director.	No. of Board Meetings attended	Attendance at last AGM held on 27th November, 2010.
Shri Nirmal Modi	15	No
Shri Deepak Agarwal	15	No
Shri B. R. Nanda.	15	Yes
Shri V. K. Srivastava	15	Yes
Shri Abhay Kumar	15	No
Captain Ajay Singh Chauhan	15	No
Sri Abhishek Modi	NA	N.A

BOARD COMMITTEES

AUDIT COMMITTEE

COMPOSITION.

The Audit Committee of the company comprises of three Directors, of whom two are independent non-executive. All these Directors possess knowledge of corporate finance, accounts and company law. The Chairman of the Committee is an independent non-executive Director nominated by the Board. The Company Secretary acts as the Company Secretary to the Committee. The Statutory Auditors of the company are permanent invitees at the meetings of the Committee.

The constitution of the Audit Committee during the financial year 2010-11 up to the period 28.02.2011 was as follows:

1. Shri Abhay Kumar : Chairman, independent, non – executive
2. Shri V. K. Srivastava : Member, Independent, non – executive
3. Shri B. R. Nanda : Member, Non-promoter executive

Due to the Resignation of Mr. Abhay Kumar (Independent Director) & Mr. B.R. Nanda (Director) from the Board of Directors of the Company, Audit Committee has been reconstituted and Mr. Abhishek Modi & Nirmal Modi has been inducted as a Member of the committee w.e.f. 01-03-2011. So now the Audit Committee comprises of the following :

1. Shri Nirmal Modi : Chairman, Promoter Executive
2. Shri V. K. Srivastava : Member, Independent, non – executive
3. Shri Abhishek Modi : Member, Independent, non – executive

BROAD TERMS OF REFERENCE

The terms of reference of the Audit Committee include:

- To review the company's financial reporting process and its financial statements.
- To review the accounting and financial policies and practices.
- To review the efficacy of the internal control mechanism and monitor risk management.

- To review policies adopted by the company and ensure compliance with regulatory guidelines.
- To review reports furnished by the statutory auditors, and ensure that suitable follow-up action is taken.

MEETINGS AND ATTENDANCE

During the financial year ended 31st March 2011, four Audit Committee Meetings were held on 30th June, 2010, 31st July, 2010, 30th October 2010, 11th February, 2011.

Name of the director No. of meetings attended.

- | | | |
|--------------------------|---|---|
| 1. Shri Abhay Kumar | : | 4 |
| 2. Shri V. K. Srivastava | : | 4 |
| 3. Shri B.R. Nanda | : | 4 |

REMUNERATION COMMITTEE

The committee consists of three Directors, Shri V. K. Srivastava (Independent & non-executive), Shri Abhay Kumar (Independent & non-executive) and Shri B. R. Nanda (Non-promoter Executive) during the financial year 2010-11.

Due to the Resignation of Mr. Abhay Kumar (Independent Director), Mr. B.R. Nanda (Director) from the Board of Directors of the Company, Remuneration Committee has been reconstituted and Mr. Abhishek Modi & Nirmal Modi has been inducted as a Member of the committee w.e.f. 01-03-2011. Now the committee consists of three Directors, Shri Nirmal Modi (Promoter Executive) as Chairman and Shri V. K. Srivastava (Independent & non-executive) and Shri Abhishek Modi (Independent & non-executive) as members.

DETAILS OF REMUNERATION TO THE DIRECTORS FOR THE YEAR ENDED 31.03.2011

<i>Name of the Director</i>	<i>Salary</i>	<i>Benefits</i>	<i>Comm ission</i>	<i>Sitting Fees</i>	<i>Total</i>	<i>Service contract / Notice period / Severance fees.</i>
Shri Nirmal Modi (Chairman)	600000	264000	-	-	864000	*
Shri Deepak Agarwal (Managing Director)	540000	216000	-	-	756000	**
Shri B. R. Nanda	330000	165000	-	-	495000	***

* The agreement with the Chairman is for a period of five years.

** The agreement with the Managing Director is for a period of five years.

SHAREHOLDER'S / INVESTORS GRIEVANCES COMMITTEE

The company constituted the Shareholder / Investor grievances committee to oversee the redressal of the shareholders and Investors grievances in relation to transfer of shares, non – receipt of annual report etc. The Registrar and Share Transfer Agent of the company is M/s ABS Consultants Pvt. Ltd of Kolkata.

COMPOSITION

The constitution of the Shareholder's / Investors Grievances Committee is as under:

- | | | |
|----------------------|---|--|
| Shri V. K. Srivastav | - | Chairman - Independent, non – executive. |
| Shri Abhay Kumar | - | Member - Independent, non – executive. |
| Shri B.R. Nanda | - | Member – Non-Promoter Executive. |

Due to the Resignation of Mr. Abhay Kumar (Independent Director), Mr. B.R. Nanda (Director) from the Board of Directors of the Company, Shareholder's / Investors Grievances Committee has been reconstituted and Mr. Abhishek Modi & Nirmal Modi has been inducted as a Member of the committee w.e.f. 01-03-2011. Now the committee constitutes of three Directors, Shri V. K. Srivastava (Independent & non-executive) and Shri Nirmal Modi (Promoter Executive) and Shri Abhishek Modi (Independent & non-executive) as members.

During the financial year ended 31st March 2011, no Shareholder's / Investors Grievances Committee meeting was held.

COMPLIANCE OFFICER

The Board designated Shri B. R. Nanda, Company Secretary as the compliance officer to monitor the share transfer process and to liaise with the regulatory authorities.

Mr. B.R Nanda(Company Secretary), Resigned from the post of Compliance Officer w.e.f. 01-03-2011 and presently the matter is being handled by Sri Deepak Agarwal, Managing Director of the company.

DETAILS OF SHAREHOLDER'S COMPLAINTS RECEIVED

During the financial year ended 31.03.2011 there were 10 complaints received from the shareholders and there was no outstanding complaints as on the said date. There was no share pending for transfer as at 31st March 2011.

GENERAL BODY MEETING.

Location and time, where last three Annual General Meetings were held is given below :

<i>Financial Year</i>	<i>Date</i>	<i>Location of the Meeting</i>	<i>Time</i>
2007-2008	09.08.2008	Merchants Chamber of Commerce, 15-B, Hemanta Basu Sarani, Kolkata – 700 001	10.30 A.M
2008-2009	23.09.2009	Merchants Chamber of Commerce, 15-B, Hemanta Basu Sarani, Kolkata – 700 001	10.00 A.M
2009-2010	27.11.2010	Merchants Chamber of Commerce, 15-B, Hemanta Basu Sarani, Kolkata – 700 001	10.00 A.M

No special resolution was put through ballot at the last AGM.

DISCLOSURES

- i) The company has following related party transactions, which may have potential conflict with the interests of the company at large.

(Amount.....in Rs.)

Sl. No.	Nature of Transactions	Key Managerial Personnel	Related Enterprises	Relative of Key Managerial Personnel
01.	Remuneration	21,15,000	-	-
02.	Accounting Charges	-	12,197,916	16,000
03.	Sale of Goods	-	28,02,286	-
04.	Investment	-	2,69,70,000	-
05.	Transportation Income	-	3,21,97,002	-
06.	Plot Rent	-	1,32,360	-
07.	Advance Paid	-	3,50,000	-
08	Outstanding Balance as on 31.03.11	-	6,84,76,650	-

- ii) The company has complied with the requirements of regulatory authorities on capital markets and no penalties / strictures were imposed against it during the last three years.
- iii) A qualified Company Secretary in practice carried out secretarial audit to reconcile the total admitted capital with NSDL & CDSL with the issued and listed share capital of the Company. The Secretarial Audit report confirms that the total issued/paid-up capital are in agreement with the total numbers of shares in physical & dematerialized form.

MEANS OF COMMUNICATION

- i) The annual accounts are published in English daily the "Financial Express" and Bengali Daily, "Dainiklipi".
- ii) Management's Discussions and Analysis forms part of this annual report.
- iii) Official news releases are given directly to the press

GENERAL SHAREHOLDERS' INFORMATION.

Detailed information on this regard provided in the shareholders' information section forms part of this annual report.

ANNUAL GENERAL MEETING

- Date and time : 24.09.2011 at 10.00 AM
- Venue : Merchants Chamber of Commerce, 15-B, Hemanta Basu Sarani, Kolkata – 700 001.

FINANCIAL YEAR CALENDAR FOR 2010 - 2011 (TENTATIVE)

Results for the quarter
Ending 30 June 2011. : Fourth week of July 2011.

Results for the quarter
Ending 30 Sept 2011. : Fourth week of Oct 2011.

Results for the quarter
Ending 31 Dec 2011. : Fourth week of Jan 2012.

Results for the year
Ending 31 Mar 2012. : Fourth week of June 2012.

BOOK CLOSURE DATE

16.09.2011 to 24.09.2011 (both days inclusive) on account of AGM.

DIVIDEND PAYMENT DATE

The company did not declare any dividends for the year ended 31st March 2011.

STOCK EXCHANGE DETAILS

As on 31.03.2011 the Equity Shares consisting 1,06,74,395 Equity Shares @ Rs.10 each has been listed in following Stock Exchanges:

- i) Calcutta Stock Exchange Association Ltd.
7, Lyons Range, Kolkata – 700 001.
- ii) Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001.
- iii) Ahmedabad Stock Exchange Limited
Kamdhenu Complex, Opp Sahajanand College
Ahmedabad – 380 015.
- iv) The Bhubaneswar Stock Exchange
6th Floor, Idco Towers, Janpath, Bhubaneswar – 751022.

DEPOSITORIES

- i) National Securities Depository Ltd.
Trade World, 4th Floor, Kamala Mills Compound
Senapati Bapat Marg, Lower Parel Mumbai – 400093.
- ii) Central Depository Services (India) Ltd.
Phiroze Jeejeebhoy Towers, 28th Floor, Dalal Street,
Mumbai – 400023.

Demat ISIN Number for NSDL & CDSL : INE605F01017

Stock Code - BSE-NRINTER Scrip Code - 532623
Stock Code - ASE-NRINTER Scrip Code - 41081

STOCK MARKET DATA

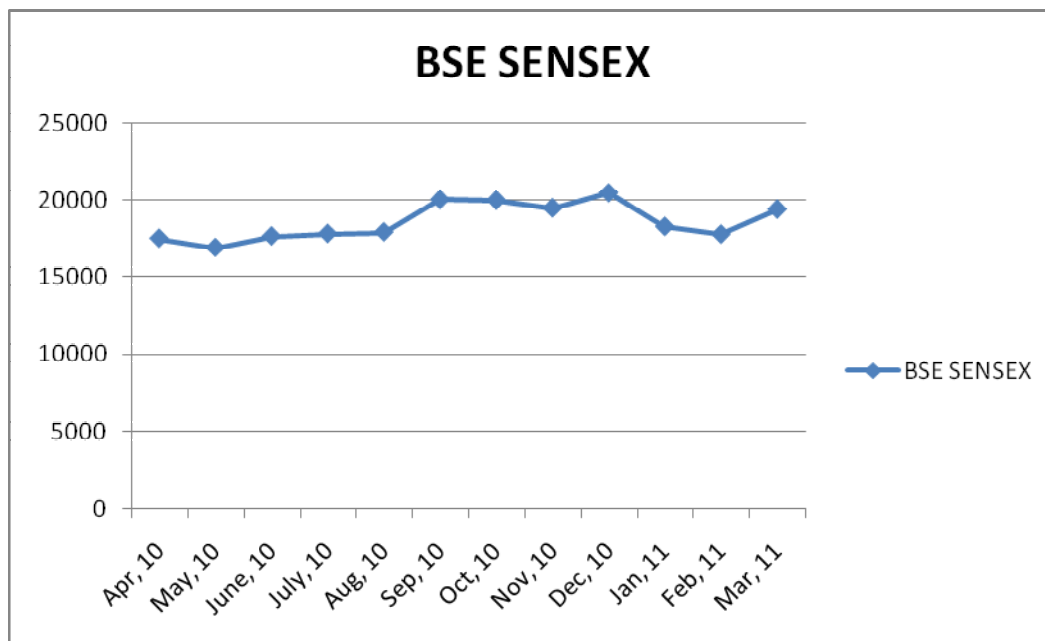
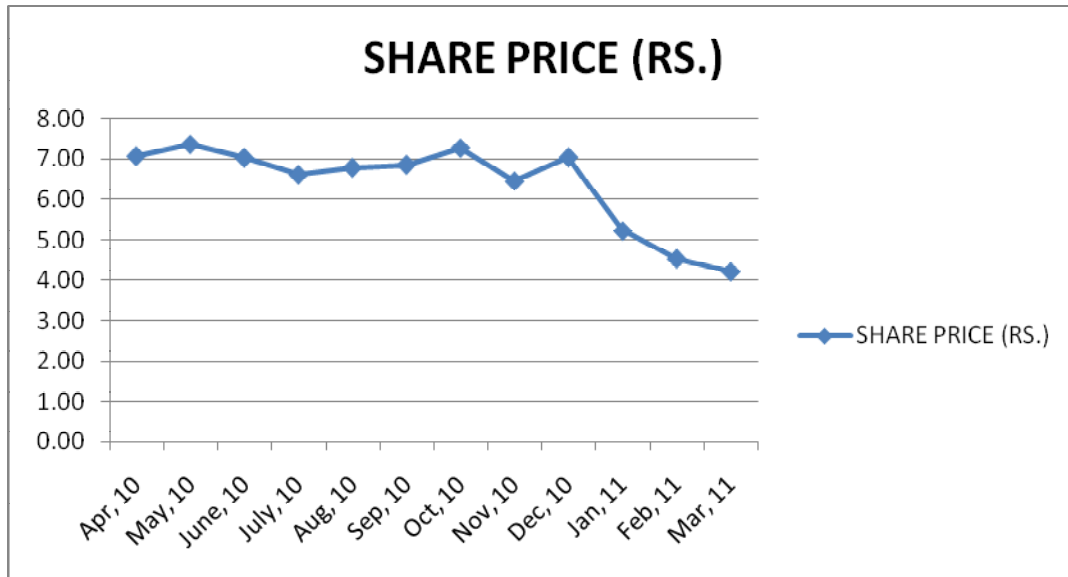
As on 31.03.2011 the Equity Shares consisting 106, 74,395 Equity Shares @ Rs.10 each has been listed in four major stock exchanges as above. Accordingly the pricing and other datas are reflected in the Corporate Governance Report hereunder.

MARKET PRICE DATA

The details of monthly High & Low price of the Equity Shares listed at Bombay Stock Exchange Limited, for the financial year 2010-11, are given as under

(Amount.... in Rs.)

Month	BSE		Volume (Nos.)
	High (Rs.)	Low (Rs.)	
April,2010	7.38	6.60	25,669
May, 2010	7.49	6.93	1,849
June, 2010	7.39	6.32	19,948
July, 2010	7.19	6.10	26,398
August, 2010	7.32	6.30	34,130
September, 2010	7.45	6.36	30,935
October, 2010	8.94	6.28	91,952
November, 2010	6.76	6.46	300
December, 2010	7.04	6.46	1270
January, 2011	5.85	4.75	34,466
February, 2011	4.83	4.08	18,521
March, 2011	5.15	3.62	21,968



SHARE TRANSFER AGENT

With a view to availing the expertise of a specialized R & T agency, the company has appointed M/s ABS Consultants Pvt. Ltd to act as Registrar and Share Transfer Agent of the company. The address and contact numbers of M/s ABS Consultant Pvt. Ltd are as follows:

ABS Consultants Pvt. Ltd
 Room No. 99, 6th Floor, Stephen House
 4 No. B. B. D. Bag (East) .Kolkata – 700 001.
 Telephone: +91-33-22201043 / 22430193
 e-mail : absconsultant@vsnl.net

Shareholders / Investors are requested to forward share transfer documents, dematerialization requests and other related correspondence directly to M/s ABS Consultants Pvt. Ltd at the above-mentioned address under intimation to the Company.

SHARE TRANSFER SYSTEM.

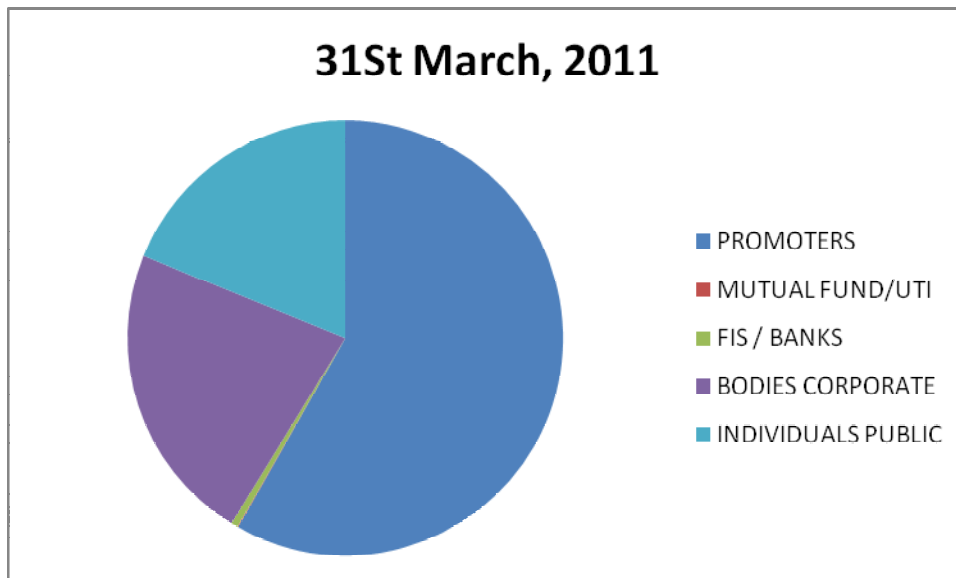
The company has appointed M/s ABS Consultants Pvt. Ltd to act as Registrar and Share Transfer Agent of the company. Shareholders / Investors are requested to send share transfer related documents directly to our R & T Agent whose address is given above.

DISTRIBUTION OF SHAREHOLDING AS ON 31 MARCH 2011.

Nominal Value of Shareholding (in Rs.)	No. of Shareholders	Percentage (%)	No. of Shares	Percentage (%)
Upto 5,000	3631	82.90	761207	7.13
5,001 – 10,000	376	8.58	305493	2.86
10,001 – 20,000	207	4.73	305103	2.86
20,001 – 30,000	51	1.16	133064	1.25
30,001 – 40,000	23	0.53	79408	0.74
40,001 – 50,000	18	0.41	84268	0.79
50,001 – 1,00,000	30	0.68	204675	1.92
1,00,001 and above	44	1.00	8801177	82.45
Total:	4380	100	10674395	100

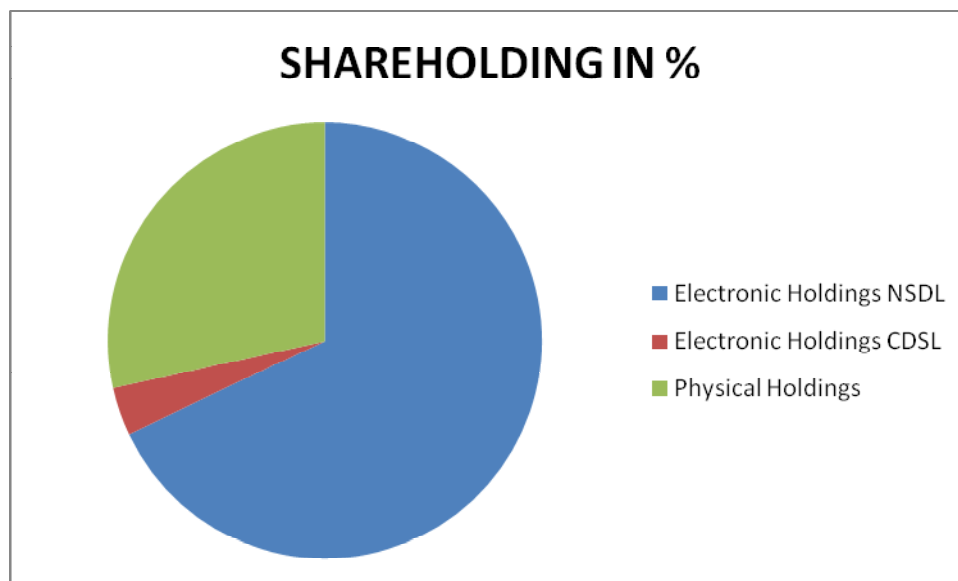
CATEGORIES OF SHAREHOLDING AS ON 31 MARCH 2011.

<u>Categories</u>	<u>No. of Shares</u>	<u>% of holding</u>
1. Promoters & Associates	62,11,319	58.19
2. Mutual Fund/UTI	5600	0.05
3. Financial Institutions, Banks	54250	0.51
4. Private Corporate Bodies	23,91,468	22.40
5. Indian Public	20,11,758	18.85
Total:	106,74,395	100.00



Note: None of the shares held by Promoter and Promoter Group are pledged or otherwise encumbered.

DEMATERIALIZATION OF SHARES AS ON 31.03.2011



PLANT LOCATION

Coke Oven Plants		Induction Furnace Plants
I. B. Industries (a Unit of N. R. International Ltd.) Kantaikolia, Govindpur, Dhenkanal, ORISSA	Bharat Hardcoke Manufacturers (a Unit of N. R. International Ltd.) Tupudana, Hatia, Ranchi. JHARKHAND	Bainchua, Kotasahi, Tangi, Cuttack, ORISSA

INVESTOR CORRESPONDENCE

1) ABS Consultants Pvt. Ltd.
Room No. 99, 6th Floor, Stephen House
4 No.B.B.D.Bag (East). Kolkata – 700001.
Telephone: 033 22201043 / 22430193
e-mail : absconsultant@vsnl.com

2) N. R. International Ltd.
NR House, Plot No.-1050,
Opp. Bombay Hotel, College Square, Cuttack-3
Telephone: +91-671-2548187, Fax-2549202
e-mail : nril@satyam.net.in

MANAGEMENT DISCUSSION AND ANALYSIS.

OVERALL REVIEW

The Company is dedicated to manufacture and serve highest quality LAM Coke, Hard Coke & MS Ingots to the entire satisfaction of a large number of corporate while ensuring its economical, social & moral commitments. It has gained substantial expertise in Material Handling, Logistics Management & Services, Bulk Cargo Handling a Ports, Ship Chartering, Import & Trading of Non-Coking Coal, Coking Coal, Ferrous & Non-Ferrous Metals and Manufacturing of LAM Coke, Hard Coke, MS Ingots.

NRIL provides a one-stop shop for customers interested in procuring imported non-coking and coking coal, Low Ash Coke both imported and indigenous and also for customers interested in procuring services in procurement, supervision and handling of bulk cargo, chartering of ships etc.

NRIL has also engaged in the business of import and trading of the both ferrous & non-ferrous metals, including iron & steel items with an aim to cater the market by importing these materials from foreign countries as well as procurement & trading of those materials from indigenous market.

FUTURE OUTLOOK

2. To set-up one 0.9 MTPA capacity of Coal Beneficiation Plant at Bainchua, Tangi, Cuttack.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

NRIL has proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from misuse or disposition and that transaction are authorized, recorded and reported correctly.

The internal control is supplemented by an extensive program of internal audits, review by management and documented policies, guidelines and procedures. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of assets.

FINANCIAL PERFORMANCE

(Rs.....in Lacs)

Years	2010-11	2009-10
Paid-up Share Capital	1067.44	1067.44
Reserve & Surplus	1548.49	1601.72
Annual Turnover	3075.32	8520.70
Net Profit	(259.10)	(223.11)
Fixed Assets (Depreciated Value)	2172.92	2561.39

CAUTIONARY STATEMENT

Statements in the Management's Discussion and analysis report describing the Company's projections, plans, estimates, expectations, will, anticipates, believes, intends, predictions or other words of similar meaning, may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that would make a difference to the Company's operations include demand-supply conditions, raw-materials prices, changes in Government regulations, tax regimes, economic developments within the country and other factors such as litigation and labour negotiations.

By order of the Board

Sd/-
Deepak Agarwal
Managing Director

Date: 24th August, 2011

CERTIFICATE

To

The Members of N. R. INTERNATIONAL LIMITED

We have examined the compliance of conditions of corporate governance by N. R. INTERNATIONAL LIMITED, for the year ended on 31st March, 2011, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance (s) is/are pending for a period exceeding one-month against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.

We 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.

For, Sanjay Jagdish & Co.
(Chartered Accountants)

Sd/-

Sanjay Kumar Agarwal
Membership No.: 057794

Place : Kolkata

Date : 24th August, 2011

N. R. INTERNATIONAL LIMITED

BALANCE SHEET AS AT MARCH 31, 2011

	Schedule	31.03.2011 (Rs.)	31.03.2010 (Rs.)
<u>SOURCES OF FUNDS</u>			
SHAREHOLDERS' FUNDS			
Share Capital	1	106,743,950	106,743,950
Reserves and Surplus	2	154,848,977	160,172,311
		261,592,927	266,916,261
LOAN FUNDS			
Secured Loans	3	268,418,134	162,272,678
DEFERRED TAX LIABILITY			
		13,484,377	1,029,803
		543,495,438	430,218,742
<u>APPLICATION OF FUNDS</u>			
FIXED ASSETS			
Gross Block	4	275,518,355	311,820,010
Less : Depreciation		60,660,465	59,264,881
Net Block		214,857,890	252,555,129
Capital work in progress		2,433,633	4,296,414
		217,291,523	256,851,543
INVESTMENTS			
	5	27,231,871	27,231,871
CURRENT ASSETS, LOANS AND ADVANCES			
Inventories	6	3,613,271	18,015,167
Sundry Debtors	7	189,128,327	171,117,654
Cash and Bank Balances	8	30,442,607	41,595,438
Loans and Advances	9	106,545,291	139,374,543
		329,729,496	370,102,802
Less : CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	10	52,169,989	223,766,772
Provisions	11	263,847	200,702
NET CURRENT ASSETS		277,295,660	146,135,328
<u>MISCELLANEOUS EXPENDITURE</u>			
Profit & Loss Account		21,676,384	-
		543,495,438	430,218,742
Significant Accounting Policies	19	0	-
Notes on Accounts	20		

Schedules referred to above and notes attached thereto form an integral part of Financial Statements

As per our report of even date.

For, **Sanjay Jagdish & Co.**
Chartered Accountants

For and on behalf of Board

Sd/-
(Sanjay Kumar Agarwal)
Proprietor
Membership No.057794

Sd/-
Nirmal Modi
Chairman

Sd/-
Subrata Pradhan
Secretary

Sd/-
Deepak Agarwal
Mg. Director

Place : Kolkata
Dated : 24th August, 2011

N. R. INTERNATIONAL LIMITED

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

	Schedule	31.03.2011 (Rs.)	31.03.2010 (Rs.)
<u>INCOME</u>			
Income from Operations	12	307,532,995	852,070,029
Other Income	13	6,885,867	5,831,110
Increase / (Decrease) in Inventories	14	(3,813,351)	(6,233,004)
		<u>310,605,511</u>	<u>851,668,135</u>
<u>EXPENDITURE</u>			
Materials Consumed	15	96,797,456	567,415,287
Manufacturing & Other Operating Expenses	16	157,281,424	244,488,002
Administrative and Other Expenses	17	14,119,809	17,767,443
Interest & Finance Charges	18	44,659,416	42,039,245
Depreciation		10,675,350	11,989,226
		<u>323,533,455</u>	<u>883,699,203</u>
Profit before Tax		(12,927,944)	(32,031,068)
Provision for Taxation			
(i) Current Tax		-	-
(ii) Income Tax for previous years		527,625	-
(iii) Deferred Tax		12,454,574	(9,719,452)
Profit after Tax		(25,910,143)	(22,311,616)
Balance brought forward from previous year		4,233,759	26,545,375
Balance Carried to Balance Sheet		(21,676,384)	4,233,759

Basic and Diluted Earning Per Share
(Nominal value of each Equity Share is Rs. 10/-.)

Significant Accounting Policies 19
Notes on Accounts 20

Schedules referred to above and notes attached thereto form an integral part of Financial Statements

As per our report of even date.

For, **Sanjay Jagdish & Co.**
Chartered Accountants

For and on behalf of Board

Sd/-
(Sanjay Kumar Agarwal)
Proprietor
Membership No.057794

Sd/-
Nirmal Modi
Chairman

Sd/-
Deepak Agarwal
Mg. Director

Sd/-
Subrata Pradhan
Secretary

Place : Kolkata
Dated : 24th August, 2011

N. R. INTERNATIONAL LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

	31.03.2011 (Rs.)	31.03.2010 (Rs.)
A. Cash Flow From Operating Activities:		
Net Profit before Tax as per Profit and Loss Account	(12,927,944)	(32,031,068)
<u>Adjusted for:</u>		
Depreciation	10,675,350	11,989,226
Interest Expenses	44,659,416	42,039,245
Interest on Fixed Deposit	(683,369)	(1,364,530)
Interest Received	(515,872)	(1,060,488)
Provision for Employee Benefits	63,145	102,170
Operating Profit Before Working Capital Changes:	41,270,726	19,674,555
<u>Adjusted for:</u>		
Inventory	14,401,896	(1,814,438)
Debtors	(18,010,673)	(38,132,845)
Loans and Advances	32,829,252	32,197,338
Current Liabilities	(171,596,783)	93,882,898
	(142,376,308)	86,132,953
Cash Flow From Operating Activities	(101,105,582)	105,807,508
Income Tax Paid	(527,625)	(3,741,568)
Cash Flow From Operating Activities before Extraordinary Item	(101,633,207)	102,065,940
Extra Ordinary Items	-	-
Cash Flow From Operating Activities after Extraordinary Item(A)	(101,633,207)	102,065,940
B. Cash Flow From Investing Activities		
Fixed asset purchased	(9,144,088)	(14,762,275)
Sale of fixed asset	36,939,183	970,630
Purchase of Investments	-	-
Sale of Investments	-	31,000,000
Refund of Advance against Equity	-	-
Interest on Fixed Deposit	683,369	1,364,530
Interest Received	515,872	1,060,488
Cash Flow From Investing Activities (B)	28,994,336	19,633,373
C. Cash Flow From Financing Activities		
Loan received	-	365,280
Loan repaid	(7,872,960)	(27,339,140)
Cash Credit & Term Loan	114,018,416	(44,883,118)
Interest paid	(44,659,416)	(42,039,245)
Cash Flow From Financing Activities (C)	61,486,040	(113,896,223)
Net Increase in Cash and Cash Equivalents (A+B+C)	(11,152,831)	7,803,090
Opening Balance of Cash and Cash Equivalents	41,595,438	33,792,348
Closing Balance of Cash and Cash Equivalents	30,442,607	41,595,438
Notes:	0	-

- 1 All figures in brackets indicate outflow.
2 Cash and Cash Equivalents mean Cash and Bank balances as per Balance Sheet

As per our Report of even date.

For, **Sanjay Jagdish & Co.**
Chartered Accountants

For and on behalf of
the Board

Sd/-
(Sanjay Kumar Agarwal)
Proprietor
Membership No.057794

Sd/-
Nirmal Modi
Chairman

Sd/-
Deepak Agarwal
Mg. Director

Sd/-
Subrata Pradhan
Secretary

Place : Kolkata
Dated : 24th August, 2011

Schedules forming part of the Financial Statements

	31.03.2011	31.03.2010
SCHEDULE : 1		
SHARE CAPITAL		
Authorised 1,20,00,000 Equity Shares of Rs. 10/- each	120,000,000	120,000,000
Issued Subscribed and Paid up 1,06,74,395 Equity Shares of Rs. 10/- each, fully paid-up	106,743,950	106,743,950
Out of the above		
> 22,11,500 Equity Share of Rs.10/- each are allotted pursuant to the scheme of amalgamation, without payment being received in cash.		
> 50,89,060 Equity Shares of Rs. 10/- each have been allotted as fully paid-up Bonus Shares out of General Reserve and Securities Premium Account		
	106,743,950	106,743,950
SCHEDULE : 2		
RESERVES & SURPLUS		
<i>Amalgamation Reserve</i>	69,346,950	69,346,950
<i>Revaluation Reserve</i>		
Balance Brought Forward	83,004,485	
Less : Depreciation on revalued assets	1,089,575	83,004,485
<i>General Reserve</i>	2,584,717	2,584,717
<i>Share Premium Account</i>	1,002,400	1,002,400
<i>Profit & Loss Account Balance</i>		
As per Annexed Accounts	-	4,233,759
	154,848,977	160,172,311
SCHEDULE : 3		
SECURED LOANS		
<u>Hire Purchase Finance from Banks</u>	2,262,512	10,123,572
(Secured by hypothecation of vehicles financed) (Amount Repayable in next 12 months : Rs.62,69,210/-, Previous Year : Rs.1,13,27,110/-)		
<u>Hire Purchase Finance - Others</u>	-	11,900
(Secured by hypothecation of vehicles financed) (Amount Repayable in next 12 months : Rs.11,900/-, Previous Year : Rs.1,42,800/-)		
<u>Cash Credit with Federal Bank Ltd - Kolkata</u>	109,617,852	152,137,206
<u>Term Loan with Federal Bank Ltd - Kolkata</u>	156,537,770	-
(Amount Repayable in next 12 months : NIL, Previous Year : Rs.9,83,269/-)		
	268,418,134	162,272,678

Schedules forming part of the Financial Statements
SCHEDULE : 4
FIXED ASSETS

Sl. No.	Particulars of Assets	G R O S S B L O C K				D E P R E C I A T I O N				N E T B L O C K	
		At cost as at 01.04.2010	Additions during the year	Deduction / Adjustments	Total as at 31.03.2011	Up to 01.04.2010	For the year	Deduction/ Adjustment	Up to 31.03.2011	As at 31.03.2011	As at 31.03.2010
1	Freehold Land	107,915,521	5,807,689	9,470,672	104,252,538	-	-	-	-	104,252,538	107,915,521
2	Leasehold Land	964,992	-	-	964,992	-	-	-	-	964,992	964,992
3	Buildings	50,388,786	184,480	10,832,551	39,740,715	7,258,599	1,072,135	1,648,048	6,682,666	33,058,029	43,130,187
4	Plant & Machinery	100,515,411	2,258,997	15,858,531	86,915,877	26,702,931	4,327,133	4,247,244	26,782,820	60,133,057	73,812,480
5	Heavy Commercial Vehicles	44,007,700	-	8,175,382	35,832,318	22,955,897	5,585,375	4,363,622	24,177,650	11,654,668	21,051,803
6	Vehicles	5,400,872	-	40,144	5,360,728	1,315,430	510,500	(14,261)	1,840,191	3,520,537	4,085,442
7	Computers	1,148,373	-	36,775	1,111,598	584,282	174,733	36,775	732,240	379,358	554,091
8	Furnitures & Fixtures	440,313	-	111,267	329,046	220,379	37,537	60,414	197,502	131,544	219,934
9	Office Equipments	1,038,042	-	27,500	1,010,542	217,363	57,512	27,500	247,375	763,167	820,679
		311,820,010	8,251,166	44,552,821	275,518,355	59,264,881	11,764,925	10,369,341	60,660,465	214,857,890	252,555,129
		4,296,414	892,922	2,755,703	2,433,633	-	-	-	-	2,433,633	4,296,414
		316,116,424	9,144,088	47,308,524	277,951,988	59,264,881	11,764,925	10,369,341	60,660,465	217,291,523	256,851,543
	Transfer from Revaluation Reserve						1,089,575				
	Total	316,116,424	9,144,088	47,308,524	277,951,988	59,264,881	10,675,350	10,369,341	60,660,465	217,291,523	256,851,543
	Previous Year	303,258,142	20,018,272	7,159,990	316,116,424	47,119,443	11,989,226	933,363	59,264,881	256,851,543	256,138,699

N. R. INTERNATIONAL LIMITED

	31.03.2011	31.03.2010
<u>SCHEDULE : 5</u>		
<u>INVESTMENTS (Long Term , Non-trade)</u>		
(Unquoted, Fully paid)		
In 8,70,000 Equity Shares (Previous Year 18,70,000) of Rs. 10/- each of Suryaa Sponge Iron Limited	26,970,000	26,970,000
In Partnership Firm namely M/s R N Misra	261,871	261,871
<u>Details of Other Partners along with their respective profit sharing ratio</u>		
<u>Partners Name</u>	<u>Profit Sharing Ratio</u>	
Sri R.N.Misra	14%	
Sri Suresh Kumar Modi	7%	
Sri Shiv Kumar Modi	7%	
Sri Ramakanta Modi	14%	
Sri Sudhansu Misra	10.5%	
Sri Subransu Misra	10.5%	
Sri Som kumar Modi	3.5%	
Sri Surbesh kumar Modi	3.5%	
(Total Capital of the Firm Rs.23,41,534/-)		
	27,231,871	27,231,871
<u>SCHEDULE : 6</u>		
<u>INVENTORIES</u>		
(As taken, valued and certified by the Management)		
Stock-in-Trade		
Coal	-	1,768,259
Coke	904,821	904,821
M S Ingot	190,981	1,211,641
Transformer	82,869	82,869
Newsprint Papers	-	1,037,774
	1,192,013	
Raw Materials & Consumables		
Sponge Iron	454,359	1,720,054
Scrap Iron	859,466	551,704
Consumable Stores	1,107,433	10,738,045
	2,421,258	
	3,613,271	18,015,167
<u>SCHEDULE : 7</u>		
<u>SUNDRY DEBTORS</u>		
(unsecured, considered good)		
Over six months	127,561,416	35,115,009
Other Debts	61,566,911	136,002,645
	189,128,327	171,117,654
	189,128,327	171,117,654

N. R. INTERNATIONAL LIMITED

	31.03.2011	31.03.2010
SCHEDULE : 8		
CASH & BANK BALANCES		
Cash in hand (as certified by the management)	24,907,738	10,323,486
Balance with Scheduled Banks		
in Current Accounts	5,387,949	1,102,032
in Fixed Deposit Accounts(Pledged)	146,920	30,169,920
	30,442,607	41,595,438

SCHEDULE : 9

LOANS & ADVANCES

(recoverable in cash or in kinds or for value to be received)

Advance to - M/s R. N. Misra (a Partnership Firm in which Company is Partner)	3,341,540	3,245,310
Advance against Fixed Assets	6,429,165	5,021,535
Advance against equity shares	25,970,000	34,100,000
Advance to Suppliers	1,467,028	5,767,737
Advance against railway freight	-	6,850,000
Security Deposits	13,183,216	22,829,941
Prepaid Expenses	825,808	1,618,414
Unmatured Finance Charges	166,341	783,597
Income Tax Advance and TDS	10,350,836	10,159,801
NSC Deposits (Including accrued interest)	88,677	88,677
Staff Advance	12,291	13,652
Input VAT balance	23,550,618	26,483,784
Entry Tax Refundable	7,166,826	7,003,538
Excise Duty - PLA Account	-	263,221
Excise Duty - Modvat Credit	3,903,624	4,299,880
Interest Receivable - Others	4,316,495	-
Other Advances	5,772,826	10,845,456
	106,545,291	139,374,543

SCHEDULE : 10

CURRENT LIABILITIES

Sundry Creditors			
- micro and small enterprises	400,662		2,307,514
- other than micro and small enterprises	5,314,496	5,715,158	13,787,540
Bills Payable under LC		-	146,181,523
Usance period interest payable on LC		-	1,513,446
Advances from Customers		8,857,799	39,582,142
Advances against Rent		650,000	-
Electricity Charges Payable		6,981,546	5,693,619
Service Tax Payable		9,721,365	5,001,209
TDS Payable		454,385	406,172
Sales Tax Payable		5,751	8,397
Excise Duty Payable		-	27,268
ESIC & PF Payable		16,854	58,082
Amount payable to Paradeep Port Trust		14,647,962	6,280,299
Security deposit Received		2,010,000	-
Others		3,109,169	2,919,561
		52,169,989	223,766,772

N. R. INTERNATIONAL LIMITED

	31.03.2011	31.03.2010
SCHEDULE : 11		
PROVISIONS		
Provision for Retirement Benefits	263,847	200,702
	263,847	200,702
SCHEDULE : 12		
INCOME FROM OPERATIONS		
Sales (Net of Sales Tax and Excise Duty) (includes inter unit sales of Rs.1,52,79,263/- Previous Year Rs.5,14,63,709/-)	97,907,003	593,882,130
Transportation Charges Received (TDS : Rs. NIL, Previous Year Rs.9,36,726/-)	146,790,987	171,575,315
Cargo Handling Income (TDS : Rs. 4,48,165/-, Previous Year Rs.5,11,728/-)	62,096,254	80,364,703
Conversion Charges Received (TDS : Rs. NIL, Previous Year Rs.1,40,130/-)	125,021	5,580,631
Weighbridge Income	613,730	667,250
	307,532,995	852,070,029
SCHEDULE : 13		
OTHER INCOME		
Interest on Fixed Deposits (TDS : Rs. 69,266/-, Previous Year Rs.1,36,635/-)	683,369	1,364,530
Interest on NSC	-	4,091
Interest on Security Deposits (TDS : Rs. 1,05,264/-, Previous Year Rs. 1,62,011/-)	515,872	1,056,397
Interest - others	220,000	-
Rent Received (TDS : Rs. 95,966/-, Previous Year : Rs. 21,000/-)	2,332,941	415,440
Profit on sale of Assets	2,659,914	555,870
Prior period expenses written back	143,999	
Miscellaneous Income	329,772	2,434,782
	6,885,867	5,831,110
SCHEDULE : 14		
INCREASE / (DECREASE) IN INVENTORIES		
Closing Inventory of Finished Goods	1,192,013	5,005,364
Less : Opening Inventory of Finished Goods		11,238,368
Closing stock as per previous year	5,005,364	
Less : Excise duty on closing stock	-	
	(3,813,351)	(6,233,004)
SCHEDULE : 15		
MATERIALS CONSUMED		
Opening Stock	13,009,803	4,356,055
Add : Purchases	88,081,729	575,600,085
Less : Sale of Consumables	2,035,421	
Less : Closing Stock	2,421,258	13,009,803
Net Consumption	96,634,853	566,946,337
Carriage inward	162,603	320,514
Entry tax on purchase	-	148,436
	96,797,456	567,415,287

N. R. INTERNATIONAL LIMITED

	31.03.2011	31.03.2010
SCHEDULE : 16		
MANUFACTURING AND OTHER OPERATING EXPENSES		
<u>Manufacturing Expenses</u>		
Electricity Charges	13,255,929	73,385,109
Factory wages & allowances	620,435	3,003,741
Repair & Maintenance	581,099	880,100
Insurance Charges	580,261	744,108
Other Manufacturing Expenses	9,510,210	1,207,161
	<u>24,547,934</u>	<u>79,220,219</u>
<u>Other Operating Expenses</u>		
Ship Freight	75,130,770	93,249,281
Wharfage Charges	23,876,730	30,691,080
Tippling & Terminal Charges	20,678,581	24,960,486
Payloader Operating Expenses	1,400,685	1,931,277
Tipper Operating Expenses	5,604,713	7,458,222
Truck Operating Expenses	4,015,361	5,591,289
Other Operating Expenses	2,026,650	1,386,148
	<u>132,733,490</u>	<u>165,267,783</u>
	157,281,424	244,488,002
 SCHEDULE : 17		
ADMINISTRATIVE AND OTHER EXPENSES		
Advertisement & Publicity	74,612	147,303
Auditors Remuneration	176,600	176,618
Bank Charges	1,954,121	7,215,063
Directors Remuneration	2,115,000	2,160,000
Electricity & Maintenance	514,325	456,541
Gratuity Benefits	63,145	102,170
Legal & Professional Charges	215,957	387,799
Other Expenses	272,468	1,064,888
ITC Claim written off	2,437,451	-
PF & ESI Contribution	214,398	331,997
Rates & Taxes	1,447,591	459,530
Rent	76,324	131,944
Salaries, Bonus & Allowances	4,136,041	4,600,035
Staff Welfare Expenses	15,999	2,184
Telephone, Postage & Telegram	265,838	280,179
Travelling & Conveyance	139,939	251,192
	<u>14,119,809</u>	<u>17,767,443</u>
 SCHEDULE : 18		
INTEREST & FINANCE CHARGES		
<u>Bank Interest</u>		
on Term Loans	16,312,184	19,597
on Cash Credit	20,523,310	23,166,366
on Letter of Credit	4,053,682	15,568,791
Other Interest	2,975,474	1,666,693
Finance Charges	794,766	1,617,798
	<u>44,659,416</u>	<u>42,039,245</u>

SIGNIFICANT ACCOUNTING POLICIES**1. System of Accounting**

The financial statements are prepared under the historical cost convention on an accrual basis and in accordance with the Accounting Principles generally accepted in India and comply with mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006 and other relevant provisions of the Companies Act, 1956 and the guidelines issued by the Securities and Exchange Board of India to the extent applicable.

2. Revenue Recognition and Use of Estimates

Sales revenue are recognized upon passage of title in the goods to the buyers which coincides with delivery at a price.

Other revenue items like income from handling, transportation, etc are recognized on completion of the job and raising of commercial invoices on the customers.

Claims and refunds from government authorities and other parties are accounted for as and when ascertained or admitted by the concerned authorities / parties in favour of the company.

In cases where estimates and assumptions are made for determining the amounts of assets and liabilities or amount of revenues and expenditures while preparing the financial statements, the difference between the actual results and the estimates are recognized in the period in which the results are known / materialized.

3. Fixed Assets

Fixed assets and intangibles are stated at cost less accumulated depreciation. Cost includes all costs relating to acquisition and installation of fixed assets including other incidental costs, if any, of bringing the assets to their working condition for their intended use.

Borrowing costs constituting interest on term loan and hire purchase finance from banks/financial institutions are recognized in the financial statements as revenue expenditure for determining the financial results of the company during the reporting period.

Expenditure during the construction period in respect of new projects or existing projects for their renovation or expansion is included under capital work in progress and the same is allocated to the fixed assets on completion of the concerned project.

4. Depreciation

Depreciation on fixed assets has been provided on straight line method as per the rates prescribed in Schedule XIV (as amended) to the Companies Act, 1956. Depreciation on additions to fixed assets is provided on pro rata basis from the day on which they are put to use.

Depreciation on fixed assets revalued during the earlier years is transferred to revaluation reserves to the extent of Rs. 10,89,575.00

5. Impairment of assets

An asset is treated as impaired when the carrying amount of the asset exceeds its estimated recoverable value. Carrying amounts of fixed assets are reviewed at each balance sheet date to determine indications of impairment, if any, to those assets. If any such indications exist, the recoverable amount of the asset is estimated and an impairment loss equal to the excess of the carrying amount over its recoverable value is recognized as an impairment loss. The impairment loss, if any, recognized in prior accounting period is reversed if there is a change in estimate of recoverable amount.

6. Investments

Long term investments are stated at cost. In case of diminution in value other than temporary, the carrying amount is reduced to recognize the decline. Current investments are carried at cost.

7. Inventories

Inventories are valued at cost or net realizable value whichever is lower. Cost is ascertained on FIFO / weighted average basis on relevant categories of inventories. Net realizable value is ascertained after providing for obsolete, slow moving and defective inventories, wherever necessary.

Cost of inventories includes all cost of purchase and conversion and other costs incurred in bringing the inventories to their present location and condition.

8. Foreign Currency Transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Exchange differences arising on final settlement are adjusted and recognized as income or expense in the profit & loss account. Outstanding balances of monetary items denominated in foreign currency are restated at closing exchange rates and the difference adjusted as income or expense in the profit and loss account.

9. Employees Benefits

Short term employee benefits (other than termination benefits) which are payable within 12 months after the end of the period in which the employees rendered service are accounted on accrual basis.

Payments under **defined contribution plan** such as provident fund and superannuation fund and ESIC are recognized in the profit and loss account.

The company has made provision for its liability under the **defined benefit plan** only for gratuity. Other retirement benefits like earned leave, etc shall be accounted for during the financial year in which they are incurred.

10. Taxes on Income

Current Tax is determined in accordance with the provisions of the Income Tax Act, 1961 in respect of taxable income for the year after considering the applicable allowances and deductions.

Deferred Tax assets / liabilities are recognized on timing differences between the accounting income and the taxable income that originate in one period and are capable of reversal in one or more subsequent periods and the same are quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred Tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets and liabilities are reviewed at each balance sheet date.

11. Provisions and Contingencies

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Contingent liabilities are not recognized but are disclosed in the notes to financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

12. Cash Flow Statements

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non – cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. Cash and cash equivalents include cash in hand and balances with banks in current and deposit accounts with necessary disclosure of cash and cash equivalent balances that are not available for use by the company.

NOTES ON ACCOUNTS**1. Secured Loans:**

Cash Credit and WCTL facility from Bank is secured by way of hypothecation of Inventories of Stocks, Book-Debts, Outstanding Moneys, Receivables and Claims, immovable properties, etc.

Other loans under the hire purchase finance scheme from Banks / Financial Institutions is secured by hypothecation of respective assets.

The loan account of the company has become non performing asset and the bank has recalled the advances. Bank has also issued notice under 13 (2) of the Securities and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. The company has submitted a rehabilitation proposal with the bank and requested for stay on the proceedings under the said Act. The matter is still pending with the bank.

2. Contingent liabilities not provided for :

SI No	Nature of Liability	Current Year	Previous Year
a)	Income Tax demand disputed by the company and is under appeals	18,12,353	18,12,353
b)	Claims not acknowledged by the company	17,51,000	17,51,000
c)	Guarantee provided by the company in favour of Allahabad Bank on behalf of M/s Surya Sponge Iron Ltd	14,65,00,000	14,65,00,000
d)	Sales Tax Demand of M/s Sunrise sponge Iron and Steels P Ltd and M/s Shree Maruti Steels & Castings P Ltd (now merged with the company) wherein the company has filed appeals against assessment order.	5,22,86,361	2,42,00,887

3. Deferred Tax:

Major components of the deferred tax assets and liabilities accounted for during the year:

Particulars	31.03.2011	31.03.2010
Deferred Tax Assets		
Unabsorbed Depreciation	25,75,282	50,80,778
Unabsorbed Business Loss	0	77,61,646
Inadmissible Expenses	19,512	31,571
Total	25,94,794	1,28,73,995
Deferred Tax Liabilities		
Difference between carrying amount of fixed under the Companies act and the Income Tax act	1,60,79,171	1,39,03,798
Net Deferred Tax Liability at year-end	1,34,84,377	10,29,803

4. Expenditure in foreign currency in respect of :

	31.03.2011	31.03.2010
	NIL	NIL

5. Earnings in foreign currency in respect of :

	31.03.2011	31.03.2010
	NIL	NIL

6. Value of import calculated on CIF basis:

	31.03.2011	31.03.2010
	NIL	NIL

7. Earning Per Share

	31.03.2011	31.03.2010
Net Profit for the year (Rs)	(2,59,10,143)	(2,23,11,616)
Dividend on OCPS / Redeemable Preference shares	0	0
Net Profit available to Equity shares	(2,59,10,143)	(2,23,11,616)
Weighted number of Equity Shares	1,06,74,395	1,06,74,395
Earning Per Share (Basic & Diluted) (Rs. P.)	NA	NA

8. **Related Party Disclosures:**

a) Enterprises that directly or indirectly through one or more intermediaries, control or are controlled by or are under common control with the reporting enterprise (this includes holding companies, subsidiaries and other fellow subsidiaries) : **NIL**

b) Associate : **NIL**

c) Individuals owning directly or indirectly, an interest in the voting power of the reporting company that gives them control or significant influence over the company and relatives of any such individual : **NIL**

d) Key Managerial Personnel and their relatives :

Key Managerial Personnel

- 1) Mr. Nirmal Modi
- 2) Mr. Deepak Agarwal
- 3) Mr. B. R. Nanda
- 4) Capt Ajay Singh Chauhan

Relatives of Key Managerial Personnel

- 1) Mrs. Sangeeta Modi (wife of Nirmal Modi)
- 2) Mr. Abhishek Modi and Mr. Vinnet Modi (sons of Mr. Nirmal Modi)

e) Enterprise over which any person described in (c) or (d) is able to significant influence

- 1) Bharat Global Private Limited
- 2) Suryaa Sponge Iron Limited
- 3) M/s R. N. Misra
- 4) Satyam Castings Private Limited
- 5) Nirmal Modi & Sons (HUF)

f) **Transactions with related parties:**

	31.03.2011	31.03.2010
For the parties referred to in item (d) above		
Remuneration and other perquisites	21,15,000	21,60,000
Accounting Charges	16,000	0.00
For the parties referred to in item (e) above		
Purchase of Goods	1,21,97,916	4,81,35,990
Sale of Goods	28,02,286	13,56,80,732
Investments	2,69,70,000	2,69,70,000
Transportation charges received	3,21,97,002	4,39,99,015
Plot Rent	1,32,360	0.00
Hire Charges Received		10,30,000
Advances Paid	3,50,000	0.00
Balance Due as on 31.03.2011	6,84,76,650	10,97,82,098

9. The particulars of payments to auditors are as under :

	31.03.2011	31.03.2010
Statutory Audit	1,41,600	1,41,618
Tax Audit	25,000	25,000
Certification	10,000	10,000

10. Total Outstanding dues to Micro & Small Enterprise

Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosure are given below:

Total outstanding dues to Micro & Small Enterprises

		In Rupees 2010-11
a.	Principal amount remaining unpaid as on 31st March	4,00,662
b.	Interest due there on as on 31st March	Not Ascertained
c.	Interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	NIL
d.	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Not Ascertained
e.	Interest accrued and remaining unpaid as at 31st March	Not Ascertained

f.	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	Not Ascertained
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11. Segment Reporting

The company's business activities predominantly relates to transportation & cargo handling, manufacturing and trading of coal & coke and iron and steel. As per the provisions of AS 17, the company has identified three primary segment – Transportation & Handling, Coal & Coke and Iron & steel. However, the company operates only in one geographical segment i.e India, hence there is only one geographical segment.

Revenue and expenditure details in respect of all the primary segments as per the provisions of AS 17 is given below :

(Rs. In Lacs)

	Handling & Transportation		Coal & Coke		Iron & Steel		Total	
	31.03.11	31.03.10	31.03.11	31.03.10	31.03.11	31.03.10	31.03.11	31.03.10
Segment Revenue								
Gross Revenue	2088.87	2519.40	45.08	386.75	922.10	5562.52	3075.33	8520.70
Less : Inter segment transfer	-	-	-	-	-	-	-	-
Net Revenue	2088.87	2519.40	45.08	386.75	922.10	5562.52	3075.33	8520.70
Segment Result								
Profit before tax and interest	671.38	777.31	(18.22)	24.59	(322.21)	(678.40)	317.31	100.08
Less : Interest	36.88	16.18	-	-	408.89	387.55	446.59	420.39
Unallocable expenses	-	-	-	-	-	-	-	-
Foreign Exchange Fluctuation	-	-	-	-	-	-	-	-
Profit before Tax	634.50	761.13	(18.22)	24.59	(731.10)	(1065.95)	(129.29)	(320.31)
Less : Provision for Taxation	-	-	-	-	-	-	(129.82)	97.19
Net Profit / (Loss)	634.50	761.13	(18.22)	24.59	(736.92)	(1065.95)	(259.10)	(223.12)
Other Information								
Segment Assets	933.39	1220.81	486.58	506.01	2367.27	2801.95	5607.47	4528.77
Segment Liabilities	350.70	232.61	25.17	44.24	109.79	2002.45	524.36	2279.30
Capital Employed	582.69	988.20	461.41	461.78	2257.48	799.50	5083.11	3157.46
Capital Expenditure during the year							91.44	
Depreciation (Net)	55.85	60.83	17.85	19.07	25.29	29.86	106.75	109.76
Other Non Cash Expenses	-	-	-	-	-	-	-	-

. Quantitative Details - Enclosed as annexure

13. Details of Managerial Remuneration

	31.03.2011	31.03.2010
Salary	14,70,000	15,00,000
Allowances & other benefits	6,45,000	6,60,000

14. Employee's Benefit**Defined Contribution Plan**

The company has recognized Rs. 1,84,285.00 (Pr Yr – Rs. 2,88,441/-) for provident contribution as expenses under the defined contribution plan in the profit and loss account for the current financial year.

Defined Benefit Plan

The company recognizes Rs. 63,145.00 (Pr Yr – Rs. 1,02,170/-) as benefit towards gratuity and makes provision for the same in the statement of accounts as on balance sheet date.

The company has not made any actuarial valuation of the defined benefit obligation for gratuity and other retirement benefits as on the balance sheet date.

15. Leases

The only property of the company which is acquired on lease is the factory land of its manufacturing unit – Bharat Hardcoke Manufacturers at Ranchi. The company does not make any provision for depreciation on the leasehold assets. The lease rentals amounting to Rs. 82,738/- paid during the current financial year has been debited to profit & loss account.

16. Revaluation of Fixed Assets

The company has revalued its freehold land at Tangi, Cuttack based on the valuation by independent valuers during the financial year 2001-02 thereby increasing its value by Rs. 5,57,97,563/-. The assets of the company were again revalued in 2005-06 when the coke oven unit of the company at Dhenkanal, Orissa was revalued increasing the value of plant & machinery by Rs. 2,29,38,423/- and land situated at Jharsugda was revalued increasing its value by Rs. 91,70,094/-

17. The company has carried forward entry tax balance of Rs. 71,66,825.83 (Previous Year – Rs. 70,03,538.11) as advance and deposits whereas under The Orissa Entry Tax Rule, 1999 there is no provision of carry forward of entry tax. The directors has confirmed that they are filing appeals against the said rules. Under the present scenario, loss of the company has been understated and net current assets has been overstated by an equivalent amount.
18. The company has not given effect to the changes in Orissa VAT (Amendment) Rule 2009 as regards to reduction of Input Tax Credit (ITC) in excess of CST payable which was effective from June, 2008 and will result in ITC reversal of Rs. 70,28,479.00. The director has confirmed that they are filing appeals against the said rules. However, during the current financial year, the company has made ITC reversal of Rs. 24,37,450.75 relating to the financial year 2009-10 pursuant to Orissa Gazette No. 265 dated 25.02.2009.
19. The company has received demand notices from various government bodies amounting to Rs. 23.28 crore as per details below. The company has not yet accepted the demand and has filed / are filing appeals with the appropriate authorities for waiver of the same.

Department	Amount (Rs. In Crores)
Oriss Government Commercial Tax	20.58
Central Excise, Customs and Service Tax	1.80
Electricity Dues payable to CESU	0.90

Out of above Rs. 5.23 crore has been considered under contingent liability as on 31.03.2011. For the balance amount demand has been raised after the balance sheet date.

20. The company maintains separate books of accounts for it's unit – M/s Bharat Hardcoke Manufacturers at Ranchi. The audited accounts of the unit is merged in the statement of accounts of the company.
21. The company has done Inter Unit Transfer of goods amounting to Rs. 1,52,79,263.00 (Previous year : Rs. 5,83,47,215.00) during the financial year due to which both sale and purchase has been overstated by equivalent amount which contravenes the provisions of AS 9.
22. The profit / loss of the partnership firm – M/s R. N. Misra has not been incorporated in the statement of accounts as the accounts of the firm has not been finalized as on the date of balance sheet.
23. Additional information as required under schedule VI para II of the Companies Act, 1956 to the extent not applicable are not given.
24. Debtors, creditors, advances and other ledger balances are subject to confirmation.
25. Cash in hand as on the balance sheet date is as per the books of accounts and as certified by the directors. Cash in hand has not been verified physically.
26. The figures of the previous year are regrouped, rearranged and recasted wherever necessary.

Signature to Schedules "1" to "20" forming part of accounts.
As per our report of even date.

For, **Sanjay Jagdish & Co.**
Chartered Accountants

For and on behalf of
Board

Sd/-
(Sanjay Kumar Agarwal)
Proprietor
Membership No.057794
Place : Kolkata

Sd/-
Nirmal Modi
Chairman

Sd/-
Subrata Pradhan
Secretary

Sd/-
Deepak Agarwal
Mg. Director

Place: Kolkata
Dated: 24th September, 2011

ANNEXURE

a Licensed capacity , Installed capacity & Production*

Product Name	Unit	Licensed Capacity		Installed Capacity		Production	
		31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010
L.A.M.Coke	MT	90,000	90,000	60,000	60,000	-	-
Hard Coke	MT	28,800	28,800	28,800	28,800	-	-
M S Ingot	MT	43,200	43,200	43,200	43,200	1,953,865	13,805

* (as certified by the Management and relied upon by the Auditors)

b Particulars in respect of Sales

Product name	Unit of Quantity	QUANTITY		SALES	
		31.03.2011	31.03.2010	31.03.2011	31.03.2010
M S Ingot	MT	1,998.535	19,762	47,394,839	394,716,358
M S Scrap	MT	626.605	2,922	14,821,590	51,932,331
Sponge Iorn	MT	2,041.700	9,196	29,993,987	109,117,186
C I Moulds	MT	-	20	-	486,000
Coal	MT	5,062.610	34,635	4,382,868	33,094,453
Newsprints	Kg	110,432.00	174,368	1,236,838	2,195,566
H T Wire	MT	-	16	-	653,372
Cement	MT	-	192	-	682,774
Transformer Oil	Ltr	-	23,954	-	1,004,090
Slag		NA	-	76,881	-
				97,907,003	593,882,130

c Particulars in respect of Finished Goods

Product name	Unit of Quantity	QUANTITY		Values	
		31.03.2011	31.03.2010	31.03.2011	31.03.2010
Opening Stock					
M S Ingot	MT	53.960	371	1,211,641	8,467,533
Coal	MT	2,300.460	10	1,768,259	8,716
Coke	MT	192.515	193	904,821	904,821
Newsprints	Kg	110,432.000	220,579	1,037,774	2,463,606
				4,922,495	11,844,676
Closing Stock					
M S Ingot	MT	9.290	53.960	190,981	1,211,641
Coal	MT	-	2,300.460	-	1,768,259
Coke	MT	192.515	192.515	904,821	904,821
Newsprints	Kg	-	110,432.00	-	1,037,774
Transformer	Pcs	1.000	1.000	82,869	82,869
				1,178,671	5,005,364
Purchases					
M S Scrap	MT	1,231.060	2,922	28,963,471	51,932,331
Sponge Iorn	MT	1,462.500	9,196	51,362,679	109,117,186
C I Moulds	MT	-	20	-	486,000
Coal	MT	2,762.150	36,925	2,276,740	32,913,749
Newsprints Papers	Kg	-	64,220	-	521,645
H T Wire	MT	-	16	-	634,342
Cement	MT	-	192	-	669,011
Transformer	Pcs	-	1	-	82,869
Transformer Oil	Ltr	-	23,954	-	974,887
				82,602,890	197,332,020

d Details of Raw Materials Consumed

Product name	Unit of Quantity	QUANTITY		Values	
		31.03.2011	31.03.2010	31.03.2011	31.03.2010
M S Scrap	MT	590.100	5,407.315	13,938,293	94,809,508
Sponge Iorn	MT	1,462.500	21,855.225	22,228,971	253,351,710
				36,167,264	348,161,218

Additional information as required under Part - IV of Schedule VI of the Companies Act, 1956.

Balance Sheet abstract and Company's general business profile

1 Registration details			
Registration No.	L 51109 WB 1991 PLC 051738		
Balance Sheet Date	31.03.2011	State Code	21
2 Capital raised during the year (Amount in Rs.Lacs)			
Public Issue	NIL	Right Issue	NIL
Bonus Issue	NIL	Private Placement	NIL
3 Position of mobilisation and development of funds (Amount in Rs. Lacs)			
Total Liabilities	5,434.95	Total Assets	5,434.95
Sources of Funds		Reserves & Surplus	1,548.49
Paid up Capital	1,067.44	Unsecured Loans	0.00
Secured Loans	2,684.18		
Deferred Tax Liability	134.84		
Application of Funds		Investments	272.32
Net Fixed Assets	2,172.92	Misc. Expenditure	216.76
Net Current Assets	2,772.96		
4 Performance of Company (Amount in Rs. Lacs)			
Turnover and Other Income	3,106.06	Total Expenditure	3,235.34
Profit before Tax	-129.28	Profit after Tax	-259.10
Earning per share (Rs.)	-	Dividend Rate %	NIL
5 Generic name of three principal products / services of Company (As per monetary terms)			
Description	Item Code No.	Description	Item Code No.
(a) Handling & Transportation	N.A	(b) Iron & Steel	720310

As per our report of even date.
For, **Sanjay Jagdish & Co.**
Chartered Accountants

For
and on
behalf
of
Board

Sd/-

(Sanjay Kumar Agarwal)
Proprietor
Membership No.057794

Sd/-

Nirmal Modi
Chairman

Sd/-

Subrata Pradhan
Secretary

Sd/-
Deepak
Agarwal
Mg. Director

Place : Kolkata

Dated : 24th August, 2011