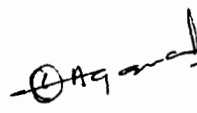
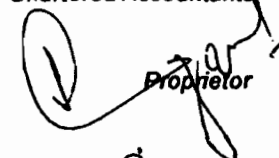



FORM A

| | | |
|----|---|--|
| 1. | Name of the company | N. R. INTERNATIONAL LIMITED |
| 2. | Annual financial statements for the year ended | 31 st March 2013 |
| 3. | Type of Audit observation | Un-qualified |
| 4. | Frequency of observation | since incorporation |
| 5. | <p>To be signed by-</p> <ul style="list-style-type: none"> • CEO/Managing Director • Auditor of the company • Audit Committee Chairman | <p style="text-align: center;"> Managing Director</p> <p style="text-align: center;">For SANJAY JAGDISH & CO. Chartered Accountants</p> <p style="text-align: center;"> Proprietor</p> <p style="text-align: center;"> Chairman</p> |

N. R. INTERNATIONAL LIMITED

NOTICE

Notice is hereby given that the 22nd Annual general Meeting of the Members of M/s N. R. International Limited will be held on Saturday, September 28, 2013 at 10:00 A.M. at the registered office of the company at Draupadi Mansion, 3rd Floor, 11, Brabourne Road, Kolkata - 700 001 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2013, Cash flow statement and the statement of Profit & Loss 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. V. K. SRIVASTAVA, who retire by rotation and being eligible, offer him for re-appointment.
3. 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 the Audit Committee of the Board of Directors be and is hereby authorized to determine the remuneration payable to the Company’s Auditor.”

By Order of the Board

NIRMAL MODI
CHAIRMAN

Place: Cuttack

Date: 27th August, 2013.

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 an 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 23.09.2012 to 28.09.2012 (both days inclusive).

N. R. INTERNATIONAL LIMITED

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-materialized 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 changes in their address and bank particulars to the Company or its Shares Transfer Agents and in case their shares are held in de-materialized 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 dematerialized 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 to pursuant to amendment in the Companies Act. The prescribed form (form 2B) can be obtained from the department of the company in request. Members desiring to avail this facility may send their nomination forms duly filled into the company or its Share Transfer Agent by quoting their respective port folio number.
8. Investors/Shareholder are requested to kindly note that if physical documents viz. Demat Request Form (DRF) and share certificate etc. are not received from their DP's by the Shares Transfer Agent (STA) within a period of 15 days from the date of generation of the DNR for dematerialization, the DRN will be treated as rejected/cancelled. Upon rejection/cancellation of the DNR a fresh DRF has to be forwarded along with Share Certificate by the DP's to the STA. This note only to caution investor/shareholder that they should ensure that their DP's do not delay in sending the DRF and share certificates to the STA after generating DRN.
9. Members are requested to send their queries, if any on the accounts or operation of the company, to reach compliance officer at the company's registered office, at least seven days prior to the meeting, so that information can be complied in advance.
10. Corporate members intend to send their authorized representatives to attend the meeting are requested to send a certificate copy of the Board Resolution authorizing their representative to attend and vote on their behalf at meeting.
11. ABS CONSULTANTS Pvt. Ltd. Is the Registrar and Share Transfer Agent of the Company. All investor related communication may be addressed at the following address:

ABS CONSULTANT PRIVATE LIMITED
ROOM NO. 99, 6TH FLOOR
STEPHEN HOUSE, 4 B.B.D BAG (EAST), KOLKATA- 700 001
PHONE NUMBER.-: 033 22201043 EMAIL: absconsultant@vsnl.net

N. R. INTERNATIONAL LIMITED

12. For any investor related queries, communication may be sent to compliance officer, MR.DEEPAK AGARWAL at the registered office of the company as under:

3RD FLOOR, DRAUPADI MANSION,
11, BRABOURNE ROAD
KOLKATA- 700 001

13. Brief resume of director proposed to be re appointed, nature of his expertise in specific functional area, names of the company in which they hold directorship and membership/chairmanship of Board Committee, shareholdings and relationship between directors inter se as stipulated under clause 49 of listing agreement entered into with the Stock Exchanges are annexed herewith.

Details as stipulated under clause 49(G) of listing agreement, in respect of the Directors seeking

Re-appointment is furnished below:

Mr. Abhishek Modi, aged about 27 years joined the Board on 01.03.2011 as a Director. He is a Graduate in commerce. He has approx 5 years of experience. He holds 397,278 nos of equity shares in the Company. Besides this company he is also a Director cum member of the following committee:

DIRECTORSHIP IN OTHER COMPANIES : NIL

MEMBERS IN COMMITTEES : 3

By Order of the Board

NIRMAL MODI
CHAIRMAN

Place: Cuttack

Date: 27th August, 2013

N. R. INTERNATIONAL LIMITED

Chairman's Message

Dear Shareholders,

It gives me immense pleasure in welcoming you to the 22nd Annual General Meeting of your Company. The Director's Report and Audited Accounts for the year ended 31st March, 2013 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 and its allied industries still continue to suffer depressed prices and reduced volume in market resulting in reduced margins. The high interest burden and other overheads has put a question mark on the viability of the business. NRIL even after trying hard for past one year could not control the losses incurred by it in the steel sector. The company has sold 2 of it's steel furnaces during the previous years. Your directors are trying to reduce the debt burden on your company by selling off the surplus assets and paying to banks. If the situation persists, your directors are planning to completely close the steel sector by selling off the remaining assets. This will help your company to reduce cash losses and also the debt burden.

However, the logistics business of the company is doing well and is earning profits. Hence your company is now concentrating more on the business of transportation and handling which has been once the core business of the company. With the reduced business volume, the gross turnover of your company has decreased from Rs. 30.95 crores to Rs. 25.30 crores. The loss before tax has also increased from Rs. 0.08 crores to Rs. 0.88 crore. Due to continued loss incurred by the company in current and previous years, your Board of Directors could not for recommend for any dividend even for the current financial year ended as on 31.03.2013.

N. R. INTERNATIONAL LIMITED

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. Your directors are exploring other business opportunities wherein the growth will be stable and consistent beside concentrating on Logistic services like Handling and Coastal Sea Transportation business which will derive more earning for the future years. The company is also waiting for the better time to start it's manufacturing activities in coke.

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.

Nirmal Modi
Chairman

N. R. INTERNATIONAL LIMITED

CORPORATE GOVERNANCE REPORT **for the year 2012-13**

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company firmly believes that the principles of sound corporate governance not only encompass within its purview the statutory requirements but also that the enterprise is governed in a manner that it meets the objective of growth and prosperity, and has the competitive edge in the current market scenario. The company recognizes that transparent, credible and accountable governance is a must in today's scenario. 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, accountability, independent monitoring and environmental consciousness. The company makes its best endeavor to uphold and nurture these core values across all aspects of its operations.

2. BOARD OF DIRECTORS

I. 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 all the number of other Board of Directors or Board Committees of which he is a member / Chairperson are as under:

| Name of Director. | Category | No. of other directorship (excluding*) | No. of membership of other Board Committee. | No. of Board Committee for Which Chairperson. |
|-----------------------|--------------------------------------|--|---|---|
| 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 |
| Shri Abhishek Modi | Independent non – executive director | NIL | 3 | NIL |

* Private Companies

N. R. INTERNATIONAL LIMITED

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

During the financial year ended 31st March 2013, Board meeting were held on, 28th April 2011, 30th April 2012, 09th July 2012, 31st July, 2012, 15th September, 2012, 29th September, 2012, 9th October, 2012, 25th October, 2012 30th November, 2012, 8th December, 2012, 20th December, 2012, 24th December, 2012, 11th January, 2013, 21st January, 2013, 4th February, 2013, and 29th March 2013. The attendance of each director at these Board meeting and the last Annual General Meeting (AGM) was as follows:

| Name of Director. | No. of Board Meeting attended | Attendance at last AGM held on 29 th September, 2012. |
|-----------------------|-------------------------------|--|
| Shri Nirmal Modi | 13 | No |
| Shri Deepak Agarwal | 13 | Yes |
| Shri V. K. Srivastava | 13 | Yes |
| Shri Abhishek Modi | 13 | Yes |

3. AUDIT COMMITTEE

I. COMPOSITION.

The Audit Committee of the company comprises of three Directors, of whom two are independent non-executive. All these directors posses knowledge of corporate finance, accounts and law. The Chairman of the Committee is Promoter executive Director nominated by the Board. The Statutory Auditors of the company are permanent invitees at the meeting of the Committee.

The Constitution of the Audit Committee during the financial year 2012-13 was as follows:

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

As the company does not have any company secretary, there is no secretary to the audit committee.

N. R. INTERNATIONAL LIMITED

II. 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 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.

III. MEETING AND ATTENDANCE

During the financial year ended 31st March 2013, Five Audit Committee meeting were held on 30th April 2012, 4th July 2012, 21st September 2012, 6th December, 2012 and and 20th March, 2013.

| Name of Director. | No. of Board Meeting attended |
|-----------------------|-------------------------------|
| Shri Nirmal Modi | 5 |
| Shri V. K. Srivastava | 5 |
| Shri Abhishek Modi | 5 |

4. REMUNARATION COMMITTEE

I. COMPOSITION.

The committee consists of three Directors, Shri V K Srivastava (Independent & non – executive) as Chariman and Shri Nirmal Modi (Promoter Executive) and Shri Abhishek Modi (Independent & non – executive) as members during the financial year 2012-13.

N. R. INTERNATIONAL LIMITED

II. DETAILS OF REMUNARATION TO THE DIRECTORS FOR THE YEAR ENDED 31.03.2013

| Name of Director. | Salary | Benefits | Commis sion | Sitting Fees | Total |
|--|----------|----------|----------------|-----------------|----------|
| Shri Nirmal Modi (Chairman) | 3,00,000 | - | - | - | 3,00,000 |
| Shri Deepak Agarwal (Managing Director) | 3,00,000 | - | - | - | 3,00,000 |
| Shri V. K. Srivastava | - | - | - | - | - |
| Shri Abhishek Modi | - | - | - | - | - |

5. SHAREHOLDER'S / INVESTORS GRIEVANCE COMMITTEE

The Company constituted the shareholder / Investor grievance committee to oversee the redressal of the shareholders and Investor grievance in related 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.

I. COMPOSITION

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

II. MEETING AND ATTENDANCE

During the Financial year ended 31st March 2013, 4 Numbers of Shareholder's / Investor Grievance Committee meeting was held.

III. TERMS OF REFERENCE

The terms of references of the Committee are to Approve transfer / transmission of shares, dematerialization and re – materialization of shares, approving the split and consolidation request and other matters relating to transfer and registration of shares and also further to look into the redresseal of shareholders' and investors' complaints relating to non receipt of notices, share certificates, annual reports and other grievances.

N. R. INTERNATIONAL LIMITED

IV. COMPLIANCE OFFICER

The Board designation Sri Deepak Agarwal, Managing Director of the Company, as the compliance officer to monitor the share transfer process and to liaise with the regulatory authorities.

- V. During the year ended 31st March 2013, all complaints received from the shareholders / investors were sorted out. There were no pending complaints as on 31st March, 2013.**

6. GENERAL BODY MEETING

- I. Location and time, where last three Annual General Meeting were held is given below:**

| Financial Year | Date | Location of the Meeting | Time |
|-----------------------|-------------|---|-------------|
| 2009-2010 | 27.11.2010 | Merchants Chamber of Commerce, 15-B, Hemanta Basu Sarani, Kolkata-700001 | 10:00 A.M. |
| 2010-2011 | 24.09.2011 | Merchants Chamber of Commerce, 15-B, Hemanta Basu Sarani, Kolkata-700001 | 10:00 A.M. |
| 2011-2012 | 29.09.2012 | Merchants Chamber of Commerce, 15-B, Hemanta Basu Sarani, Kolkata-700001 | 10:00 A.M. |

- II. No Extra Ordinary General Meeting of the shareholders was held during the year.**
III. No special resolution was put through ballot at the last AGM.

7. DISCLOSURES

Related party transactions are set out in the Notes to accounts, forming part of the Annual Report for the year ended on 31st March, 2013. There is no other pecuniary relationship of transactions with the non – executive independent directors. During the last three years there were no strictures or penalties imposed on the company by the Stock Exchange or SEBI or any statutory authority for non – compliance of matter related to Capital Markets. Details of adoption of non mandatory requirements are shown separately. , which may have potential conflict with the interests of the company large.

N. R. INTERNATIONAL LIMITED

8. 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

9. GENERAL SHAREHOLDERS’ INFORMATION.

I. Company Registration Details

The company is registered in the State of West Bengal, India. The Corporate Identity Number (CIN) allotted to the company by the Ministry of Company affairs (MCA) is L74999WB1991PLC051738.

II. ANNUAL GENERAL MEETING

Date and time : 28.09.2013 at 10.00 AM

Venue : ‘Draupadi Mansion’, 3rd Floor,
11, Brabourne Road,
Kolkata – 700 001.

III. FINANCIAL YEAR CALENDAR FOR 2013 - 2014 (TENTATIVE)

- Financial Year 1st April – 31st March.
- 1st Quarterly Results - Fourth week of July 2013.
- 2nd Quarterly Results - Fourth week of Oct 2013.
- 3rd Quarterly Results - Third week of Jan 2014.
- 4th Quarterly Results - Fourth week of June 2014.
- Annual results - Fourth week of June 2014.

IV. BOOK CLOSURE DATE

16.09.2013 – 24.09.2013 (both days inclusive) on account of AGM.

N. R. INTERNATIONAL LIMITED

V. DIVIDEND PAYMENT DATE

The company did not declare any dividends for the year ended 31st March 2013.

VI. STOCK EXCHANGE DETAILS

As on 31.03.2013 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.

VII. 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.

VIII. STOCK CODES

Demat ISIN Number for NSDL & CDSL : INE605F01017

Stock Code - BSE-NRINTER Scrip Code - 532623

Stock Code - ASE-NRINTER Scrip Code - 41081

N. R. INTERNATIONAL LIMITED

IX. MARKET PRICE DATA

The details of monthly High & Low price of the Equity Shares listed at Bombay Stock Exchange Limited, for the financial year 2012-13, are given as under

(Amount.... in Rs.)

| Month | BSE | | Volume (Nos.) |
|-----------------|------------|-----------|---------------|
| | High (Rs.) | Low (Rs.) | |
| April,2012 | 4.21 | 3.52 | 10,828 |
| May, 2012 | 5.08 | 3.99 | 16,083 |
| June, 2012 | 4.76 | 3.70 | 8,173 |
| July, 2012 | 4.20 | 3.27 | 8,726 |
| August, 2012 | 3.65 | 3.33 | 2,801 |
| September, 2012 | 3.83 | 3.30 | 2,410 |
| October, 2012 | 4.21 | 3.65 | 751 |
| November, 2012 | 4.62 | 4.07 | 7,010 |
| December, 2012 | 4.85 | 3.84 | 4,459 |
| January, 2013 | 4.74 | 3.99 | 1,214 |
| February, 2013 | 4.80 | 4.34 | 1,544 |
| March, 2013 | 4.13 | 3.93 | 252 |

X. 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 Consultant Pvt. Ltd

Room No. 99, 6th Floor, Stephen House
4 No. B. B. D. Bag (East) .Kolkata – 700 001.
Telephone: +91-33-22301043 / 22430193
e-mail : absconsultant@vsnl.net

XI. 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.

N. R. INTERNATIONAL LIMITED

XII. DISTRIBUTION OF SHAREHOLDING AS ON 31 MARCH 2013.

| Nominal Value of Shareholding (in Rs.) | No. of Shareholders | Percentage (%) | No. of Shares | Percentage (%) |
|--|---------------------|----------------|---------------|----------------|
| Upto 5,000 | 3625 | 82.99 | 767148 | 7.19 |
| 5,001 – 10,000 | 373 | 8.54 | 302610 | 2.83 |
| 10,001 – 20,000 | 204 | 4.67 | 303948 | 2.85 |
| 20,001 – 30,000 | 56 | 1.28 | 145231 | 1.36 |
| 30,001 – 40,000 | 19 | 0.43 | 65176 | 0.61 |
| 40,001 – 50,000 | 22 | 0.50 | 102324 | 0.96 |
| 50,001 – 1,00,000 | 28 | 0.64 | 192323 | 1.80 |
| 1,00,001 and above | 41 | 0.95 | 8795635 | 82.40 |
| Total: | 4368 | 100 | 10674395 | 100 |

XIII. CATEGORIES OF SHAREHOLDING AS ON 31 MARCH 2013.

| <u>Categories</u> | <u>No. of Shares</u> | <u>% of holding</u> |
|----------------------------------|----------------------|---------------------|
| 1. Promoters & Associates | 62,12,569 | 58.20 |
| 2. Mutual Fund/UTI | 5600 | 0.05 |
| 3. Financial Institutions, Banks | 54250 | 0.51 |
| 4. Private Corporate Bodies | 24,24,500 | 22.71 |
| 5. Indian Public | 19,77,476 | 18.53 |
| Total: | 106,74,395 | 100.00 |

N. R. INTERNATIONAL LIMITED

XIV. PLANT LOCATION

| Coke Oven Plants | | Induction Furnace |
|--|---|---|
| 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 |

XV. 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

10. CODE OF CONDUCT :

The Company has a Code of conduct applicable to all Board Members and Senior Management Staff for avoidance of conflicts of interest between each of the above individuals and the Company. Each Board members and senior Management Staff have to declare to their compliance with the code of conduct as at the end of each financial year. The required declaration in respect of financial year 2012 – 2013 have been received from all Board Members and Senior Management Staff. There were no material significant transactions during the Financial Year with the Board Members and Senior Management Staff, including their relatives, that had or could have had a potential conflict of interest with the company.

N. R. INTERNATIONAL LIMITED

11.MANAGEMENT DISCUSSION AND ANALYSIS.

I. 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.

II. FUTURE OUTLOOK

As there is economic slowdown and the steel industries are under severe recession, the company does not have any immediate plan for expansion of it's steel business. However, the company is planning to completely close down the steel sector and instead put more stress in increasing the logistics business which is highly profitable. This will help to strengthen the financial position of your company.

III. 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.

N. R. INTERNATIONAL LIMITED

IV. FINANCIAL PERFORMANCE

(Rs.....in Lacs)

| <u>Years</u> | <u>2012 - 13</u> | <u>2011 - 12</u> |
|----------------------------------|------------------|------------------|
| Paid-up Share Capital | 1067.44 | 1067.44 |
| Reserve & Surplus | 1053.21 | 1422.05 |
| Annual Turnover | 2557.89 | 3199.05 |
| Net Profit | - 86.62 | 101.22 |
| Fixed Assets (Depreciated Value) | 983.47 | 1833.90 |

V. 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

Date: 27th August, 2013

Deepak Agarwal
Managing Director

N. R. INTERNATIONAL LIMITED

CERTIFICATE BY THE MANAGING DIRECTOR UNDER CLAUSE 49 (V) OF THE LISTING AGREEMENT

Date: 27th August, 2013

The Board of Directors,
N. R. INTERNATIONAL LIMITED
Draupadi Mansion, 3rd Floor,
11, Brabourne Road,
Kolkata-700 001.

I, Deepak Agarwal, Managing Director of N. R. International Limited certify to the Board that I have reviewed the financial statement and cash flow statement of the Company for the financial year ended 31st March, 2013 and to the best of my knowledge and belief, I certify that :-

1. These statement do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading; that the statement together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards; applicable laws and regulations;
2. There are no fraudulent or illegal transactions;
3. I accept responsibility for establishing and maintaining internal control for financial reporting and I have evaluated the effectiveness of the internal control system of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal control, if any, of which I am aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
4.
 - i) There has not any significant changes in internal control over financial reporting during the year under reference;
 - ii) There has not any significant changes in accounting policies during the year requiring disclosure in the notes to the financial statement; and
 - iii) There have been no instances of frauds of which I am aware during the year.

Deepak Agarwal
Managing Director

Independent Auditor's Report

To
The Members of
N. R. INTERNATIONAL LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **M/s N. R. INTERNATIONAL LIMITED** ("the Company") which comprise the Balance Sheet as at 31 March 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and subject to :

- (i) Note No 29.8(j) regarding non ascertainment and provision of interest on delay payments of statutory dues such as TDS, Service Tax, etc.

give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2013;
- ii. in the case of the statement of profit and loss, of the profit 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from branched not visited by us];
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account [and with the returns received from branches not visited by us];
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956; and
 - e. on the basis of written representations received from the directors as on 31 March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For, **Sanjay Jagdish & Co.**

Chartered Accountants

Firm's Registration Number: 324645E

Place : Cuttack
Date : 27th August, 2013

Sanjay Kumar Agarwal
Proprietor
Membership Number: 057794

Annexure to the Auditors' Report

The Annexure referred to in our report to the members of **M/s N. R. INTERNATIONAL LIMITED** ("the Company") for the year ended 31 March 2013. We report that:

- 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) The company has disposed off during the year part of Tangi Land along with building, shed & plant & machinery. However, the going concern status of the company is not affected.
- (ii)(a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) In our opinion, 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 has maintained proper records of inventory. No material discrepancies were noticed on physical verification carried out at the end of the year.
- (iii) (a) The company has provided interest free advances in the form of advance aggregating to Rs. 18,00,000/- and share application money aggregating Rs. 18,25,20,000/- to the firms / companies covered in the register maintained u/s 301 of the Companies Act, 1956.
- (b) In our opinion and according to informations and explanations given to us, the terms and conditions of such advances are prima facie not prejudicial to the interest of the company.
- (c) In the absence of stipulations regarding repayment of such advances, we are unable to comment upon the regularity of repayment of the same.
- (d) As stated above, no repayment schedule has been specified and hence we are unable to comment upon any overdue amount in excess of Rs. 1.00 Lac in this regard.
- (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 Companies Act 1956. Accordingly, clauses (f) and (g) of paragraph (iii) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, 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 by the audit committee 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) As informed to us, we understand that 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 could not be produced to us for verifications.

(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, no undisputed amounts payable in respect of sales tax, PF, ESI, Service Tax, Income Tax and other statutory dues were in arrears as at 31st March 2013 payable for a period of more than six months from the date they become payable.

(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) |
|----------------|----------------------------|--|-------------|
| 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. 2,02,16,315/- as at the end of the financial year. It has incurred cash loss of Rs. 65,65,761/- (Previous Year – NIL) during the 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 initiated recovery proceedings against the company. Apart from that he Company has not defaulted in repayment of dues to a financial institution or debenture holders.

- (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

Firm's Registration Number: 324645E

Place : Cuttack
Date : 27th August, 2013

Sanjay Kumar Agarwal
Proprietor
Membership Number: 057794

BALANCE SHEET

| Particulars | | Note No. | As at 31 March, 2013 | As at 31 March, 2012 |
|---|--|----------|----------------------|----------------------|
| A EQUITY AND LIABILITIES | | | | |
| 1 Shareholders' funds | | | | |
| (a) Share Capital | | 3 | 106,743,950 | 106,743,950 |
| (b) Reserves and Surplus | | 4 | 105,320,579 | 142,204,665 |
| | | | 212,064,529 | 248,948,615 |
| 2 Non-current liabilities | | | | |
| (a) Long-Term Borrowings | | 5 | 115,986,978 | 166,643,048 |
| (b) Deferred Tax Liabilities (Net) | | 6 | - | 2,036,007 |
| (c) Long-Term Provisions | | 7 | 107,066 | 103,900 |
| | | | 116,094,044 | 168,782,955 |
| 3 Current liabilities | | | | |
| (a) Short-Term Borrowings | | 8 | 123,735,474 | 123,745,587 |
| (b) Trade Payables | | 9 | 6,296,588 | 5,885,975 |
| (c) Other Current Liabilities | | 10 | 12,023,506 | 53,194,623 |
| | | | 142,055,568 | 182,826,184 |
| | | | 470,214,141 | 600,557,754 |
| TOTAL | | | | |
| B ASSETS | | | | |
| 1 Non-current assets | | | | |
| (a) Fixed Assets | | | | |
| (i) Tangible Assets | | 11A | 96,686,398 | 180,590,199 |
| (ii) Intangible Assets | | 11B | - | - |
| (iii) Capital Work-in-Progress | | 11A | 1,660,373 | 2,799,355 |
| | | | 98,346,771 | 183,389,554 |
| (b) Non-Current Investments | | 12 | 15,500,000 | 26,970,000 |
| (c) Long-term Loans and Advances | | 13 | 190,019,656 | 36,055,518 |
| (e) Other Non-Current Assets | | 14 | 88,677 | 88,677 |
| | | | 205,608,333 | 63,114,195 |
| 2 Current assets | | | | |
| (a) Inventories | | 15 | 2,017,939 | 2,695,646 |
| (b) Trade Receivables | | 16 | 124,695,256 | 206,984,668 |
| (c) Cash and Cash Equivalents | | 17 | 11,175,861 | 35,081,572 |
| (d) Short-Term Loans and Advances | | 18 | 23,997,555 | 104,919,693 |
| (e) Other Current Assets | | 19 | 4,372,427 | 4,372,427 |
| | | | 166,259,037 | 354,054,005 |
| | | | 470,214,141 | 600,557,754 |
| TOTAL | | | | |
| The notes are an integral part of these financial statements | | | | |

In terms of our report attached.

For SANJAY JAGDISH & CO

Chartered Accountants

Firm Registration No : 324645E

For and on behalf of the Board of Directors**SANJAY KUMAR AGARWAL****PROPRIETOR****Membership No. 057794****Chairman****Managing Director****Place : CUTTACK****Date : 27th August, 2013**

STATEMENT OF PROFIT & LOSS

| Particulars | | Note | For the year ended 31 March, 2013 | For the year ended 31 March, 2012 |
|-------------|--|-------|--------------------------------------|--------------------------------------|
| | | | - | - |
| 1 | Revenue from operations (gross) | 20 | 253,020,208 | 309,540,963 |
| | Less: Excise duty | 20 | 545 | 15,700 |
| | Revenue from operations (net) | | 253,019,663 | 309,525,263 |
| 2 | Other income | 21 | 2,768,877 | 10,379,920 |
| 3 | Total revenue (1+2) | | 255,788,540 | 319,905,183 |
| 4 | Expenses | | | |
| | (a) Cost of materials consumed | 22 | 677,707 | 932,862 |
| | (b) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 24 | 0 | - |
| | (c) Employee benefits expense | 25 | 2,591,913 | 2,775,098 |
| | (d) Finance costs | 26 | 1,918,350 | 54,885,334 |
| | (e) Depreciation and amortisation expense | 11C | 4,127,333 | 6,586,154 |
| | (f) Other expenses | 27 | 255,352,257 | 255,528,759 |
| | Total expenses | | 264,667,560 | 320,708,206 |
| 5 | Profit / (Loss) before exceptional and extraordinary items and tax (3-4) | | (8,879,020) | (803,023) |
| 6 | Exceptional items | 28.a | - | - |
| 7 | Profit / (Loss) before extraordinary items and tax (5 ± 6) | | (8,879,020) | (803,023) |
| 8 | Extraordinary items | 28.b | - | - |
| 9 | Profit / (Loss) before tax (7 ± 8) | | (8,879,020) | (803,023) |
| 10 | Tax Expenses: | | | |
| | (a) Current tax expense for current year | | - | - |
| | (b) (Less): MAT credit (where applicable) | | - | - |
| | (c) Current tax expense relating to prior years | | 1,818,564 | 523,698 |
| | (d) Net current tax expenses | | 1,818,564 | 523,698 |
| | (e) Deferred tax | | (2,036,007) | (11,448,370) |
| | | | (217,443) | (10,924,672) |
| 11 | Profit / (Loss) from continuing operations (9 ± 10) | | (8,661,577) | 10,121,649 |
| B | DISCONTINUING OPERATIONS | | | |
| 12.i | Profit / (Loss) from discontinuing operations (before tax) | 30.11 | - | - |
| 12.ii | Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operations | 30.11 | - | - |
| 12.iii | Add / (Less): Tax expense of discontinuing operations | 30.11 | - | - |
| | (a) on ordinary activities attributable to the discontinuing operations | | - | - |
| | (b) on gain / (loss) on disposal of assets / settlement of liabilities | | - | - |
| | | | - | - |
| 13 | Profit / (Loss) from discontinuing operations (12.i ± 12.ii ± 12.iii) | 30.11 | - | - |
| C | TOTAL OPERATIONS | | | |
| 14 | Profit / (Loss) for the year (11 + 13) | | (8,661,577) | 10,121,649 |

N. R. INTERNATIONAL LIMITED

Statement of Profit & Loss (Contd...)

| | | | | |
|-------|--|----|---|---|
| 15.i | Earnings per share [Nominal Value per Share Rs. 10/- (2012 Rs. 10/-)] | | | |
| | (a) Basic | 29 | | |
| | (i) Continuing operations | | - | - |
| | (ii) Total operations | | - | - |
| | (b) Diluted | 29 | | |
| | (i) Continuing operations | | - | - |
| | (ii) Total operations | | - | - |
| 15.ii | Earnings per share (excluding extraordinary items) [Nominal Value per Share Rs. 10/-(2012 - Rs. 10/-)] | | | |
| | (a) Basic | 29 | | |
| | (i) Continuing operations | | - | - |
| | (ii) Total operations | | - | - |
| | (b) Diluted | 29 | | |
| | (i) Continuing operations | | - | - |
| | (ii) Total operations | | - | - |
| | The notes are an integral part of these financial statements | | | |

In terms of our report attached.

For SANJAY JAGDISH & CO
Chartered Accountants
Firm Registration No : 324645E

For and on behalf of the Board of Directors

SANJAY KUMAR AGARWAL
PROPRIETOR
Membership No. 057794

Chairman

Managing Director

Place : CUTTACK
Date : 27th August, 2013

N. R. INTERNATIONAL LIMITED

CASH FLOW STATEMENT (INDIRECT METHOD)

| Particulars | As at 31 March, 2013 | As at 31 March, 2012 |
|--|-------------------------|-------------------------|
| Cash flow from operating activities | | |
| Net profit before taxation and extraordinary items | -8,879,020 | -803,023 |
| Adjustments for Goodwill, Investing & Financing activities | | |
| Depreciation & amortization expenses | 4,127,333 | 6,586,154 |
| Provision for retirement benefits | 3,166 | -159,947 |
| Interest expenses | 1,918,350 | 54,885,334 |
| Interest Income | -12,087 | -571,495 |
| Profit on sale of fixed assets | -1,811,431 | - |
| Loss on sale of investments | 10,140,000 | - |
| Dividend Income | - | - |
| Operating profit before working capital changes | 5,486,311 | 59,937,022 |
| (Increase) / Decrease in Sundry Debtors | 82,289,412 | 17,856,341 |
| (Increase) / Decrease in Inventories | 677,707 | 917,625 |
| (Increase) / Decrease in long term advance | -153,964,138 | - |
| Increase / (Decrease) in sundry creditors | 410,613 | -170,817 |
| Cash generated from Operation | -65,100,095 | 78,540,171 |
| Income Tax Paid | -217,443 | -10,924,672 |
| Cash flows before extraordinary item | -64,882,652 | 89,464,843 |
| Exceptional and Extra Ordinary Items | - | - |
| Cash flows after extraordinary item | -64,882,652 | 89,464,843 |
| (Increase)/Decrease in Cash generated from Operation arising out of Increase/Decrease in Current Asset or Current Liability arising out of Investing & Financing activity. | 39,751,021 | -46,637,735 |
| Net Cash from operating activities | -25,131,630 | 42,827,108 |
| Cash flow from investing activities | | |
| Purchase of fixed assets | -1,358,507 | -21,051,018 |
| Proceeds from sale of equipment | 51,816,760 | 34,657,297 |
| Proceeds from sale of Investment | 3,330,000 | - |
| Interest received | 12,087 | 571,495 |
| Dividend received | - | - |
| Net Cash from investing Activities | 53,800,340 | 14,177,774 |
| Cash flows from financing activities | | |
| Proceeds from issuance of Share Capital | - | - |
| Proceeds from long term borrowing | - | 14,127,735 |
| Repayment of Long term borrowing | 50,656,070 | -11,608,317 |
| Interest paid | 1,918,350 | -54,885,334 |
| Dividend paid | - | - |
| Net cash from financing activities | 52,574,420 | -52,365,916 |
| Net Increase in Cash and Cash equivalents | -23,905,710 | 4,638,967 |
| Cash and cash equivalents at beginning of period | 35,081,572 | 30,442,605 |
| Cash and cash equivalents at the end of period | 11,175,861 | 35,081,572 |

In terms of our report attached.

For SANJAY JAGDISH & CO

Chartered Accountants

Firm Registration No : 324645E

For and on behalf of the Board of Directors

Chairman

Managing Director

**SANJAY KUMAR AGARWAL
PROPRIETOR**

Place : CUTTACK

Date : 27th August, 2013

N. R. INTERNATIONAL LIMITED

Notes forming part of the financial statements

| Note | Particulars |
|------------|---|
| 1 | Corporate information |
| | <p>N. R. INTERNATIONAL LTD is engaged in diversified business primarily handling and transportation of Coal and Coke. The company is also engaged in the manufacturing of Low Ash Metallurgical Coke and Iron & Steel Products like MS Steel Ingots. The company has its manufacturing units in Orissa and sell its products and services throughout the country. The company is a public limited company and is listed on the Bombay, Calcutta, Ahmedabad and Bhubaneshwar Stock Exchanges.</p> |
| 2 | Summary of Significant accounting policies |
| 2.1 | Basis of accounting and preparation of financial statements <p>The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). These financial statements has been prepared to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention except for categories of fixed assets acquired before 1 April, 2011, that are carried at revalued amounts. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.</p> |
| 2.2 | Use of estimates <p>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p> |
| 2.3 | Inventories <p>Inventories are valued at the lower of cost and the net realisable value which ever is lower after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.</p> |
| 2.4 | Cash and cash equivalents (for purposes of Cash Flow Statement) <p>Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.</p> |
| 2.5 | Cash flow statement <p>Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.</p> |

N. R. INTERNATIONAL LIMITED
Notes forming part of the financial statements

Note 2 Significant accounting policies (contd.)

| Note | Particulars | | | | | | | | | | | | | | | | | | |
|----------------------------------|--|-------|------|----------|--------|------------------|--------|-------------------|--------|----------------------------------|---------|-------------------|--------|----------------------|--------|---------|--------|-----------|---------|
| 2.6 | <p>Depreciation and amortisation Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956 as under:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">ASSET</th> <th style="text-align: left;">RATE</th> </tr> </thead> <tbody> <tr> <td>Building</td> <td>1.63 %</td> </tr> <tr> <td>Factory Building</td> <td>3.34 %</td> </tr> <tr> <td>Plant & Machinery</td> <td>4.75 %</td> </tr> <tr> <td>Plant & Machinery (Special Rate)</td> <td>11.31 %</td> </tr> <tr> <td>Office Equipments</td> <td>4.75 %</td> </tr> <tr> <td>Furniture & Fixtures</td> <td>6.33 %</td> </tr> <tr> <td>Vehicle</td> <td>9.50 %</td> </tr> <tr> <td>Computers</td> <td>16.21 %</td> </tr> </tbody> </table> | ASSET | RATE | Building | 1.63 % | Factory Building | 3.34 % | Plant & Machinery | 4.75 % | Plant & Machinery (Special Rate) | 11.31 % | Office Equipments | 4.75 % | Furniture & Fixtures | 6.33 % | Vehicle | 9.50 % | Computers | 16.21 % |
| ASSET | RATE | | | | | | | | | | | | | | | | | | |
| Building | 1.63 % | | | | | | | | | | | | | | | | | | |
| Factory Building | 3.34 % | | | | | | | | | | | | | | | | | | |
| Plant & Machinery | 4.75 % | | | | | | | | | | | | | | | | | | |
| Plant & Machinery (Special Rate) | 11.31 % | | | | | | | | | | | | | | | | | | |
| Office Equipments | 4.75 % | | | | | | | | | | | | | | | | | | |
| Furniture & Fixtures | 6.33 % | | | | | | | | | | | | | | | | | | |
| Vehicle | 9.50 % | | | | | | | | | | | | | | | | | | |
| Computers | 16.21 % | | | | | | | | | | | | | | | | | | |
| 2.7 | <p>Revenue recognition <u>Sale of goods</u> Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales are net of excise, sales tax and value added tax.</p> <p><u>Income from services</u> Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred. Revenues from turnkey contracts, which are generally time bound fixed price contracts, are recognised over the life of the contract using the proportionate completion method, with contract costs determining the degree of completion. Foreseeable losses on such contracts are recognised when probable.</p> | | | | | | | | | | | | | | | | | | |
| 2.8 | <p>Other income Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.</p> | | | | | | | | | | | | | | | | | | |
| 2.9 | <p>Tangible fixed assets Fixed assets, are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.</p> | | | | | | | | | | | | | | | | | | |

N. R. INTERNATIONAL LIMITED

Notes forming part of the financial statements

Note 2 Significant accounting policies (contd.)

| Note | Particulars |
|-------------|--|
| | <p>The Company revalued land at Tangi that existed on 1 April, 2001, and Coke Oven Unit at Dhenkanal and Land at Jharsugda that existed 1 April 2005. The revalued assets are carried at the revalued amounts less accumulated depreciation and impairment losses, if any. Increase in the net book value on such revaluation is credited to "Revaluation reserve account" except to the extent such increase is related to and not greater than a decrease arising from a revaluation / impairment that was previously recognised in the Statement of Profit and Loss, in which case such amount is credited to the Statement of Profit and Loss. Decrease in book value on revaluation is charged to the Statement of Profit and Loss except where such decrease relates to a previously recognised increase that was credited to the Revaluation reserve, in which case the decrease is charged to the Revaluation reserve to the extent the reserve has not been subsequently reversed / utilised.</p> <p><u>Capital work-in-progress:</u> Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.</p> |
| 2.10 | Intangible assets Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset. |
| 2.11 | Foreign currency transactions and translations <u>Initial recognition</u> Transactions in foreign currencies and integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. <u>Measurement of foreign currency monetary items at the Balance Sheet date</u> Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates. In the case of integral operations, assets and liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss. |
| 2.12 | Investments |

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalised and depreciated (where applicable) in accordance with the policy stated for Tangible Fixed Assets. Impairment of investment property is determined in accordance with the policy stated for Impairment of Assets.

N. R. INTERNATIONAL LIMITED

Notes forming part of the financial statements

Note 2 Significant accounting policies (contd.)

| Note | Particulars |
|-------------|---|
| 2.13 | <p>Employee benefits Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.</p> <p><u>Defined contribution plans</u> The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.</p> <p><u>Defined benefit plans</u> For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.</p> |
| 2.14 | <p>Borrowing costs Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.</p> |
| 2.15 | <p>Segment reporting The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.</p> |

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

N. R. INTERNATIONAL LIMITED

Notes forming part of the financial statements

Note 2 Significant accounting policies (contd.)

| Note | Particulars |
|-------------|---|
| 2.16 | Leases Where the Company as a lessor leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment. |
| 2.17 | Earnings per share Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. |
| 2.18 | Taxes on income |

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

The company does not make any provision for deferred tax asset in the balance sheet.

2.19 Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

N. R. INTERNATIONAL LIMITED

Notes forming part of the financial statements

Note 2 Significant accounting policies (contd.)

2.20 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

2.21 Provision for warranty

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise - being typically upto three years.

2.22 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.23 Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

N. R. INTERNATIONAL LIMITED**Notes forming part of the financial statements****Note 3 Share Capital**

| Particulars | As at 31 March, 2013 | | As at 31 March, 2012 | |
|--|----------------------|--------------------|----------------------|--------------------|
| | Number of shares | | Number of shares | |
| (a) Authorised 1,20,00,000 Equity shares of ` 10 each with voting rights | 12,000,000 | 120,000,000 | 12,000,000 | 120,000,000 |
| (b) Issued 1,06,74,395 Equiity shares of ` 10 each with voting rights | 10,674,395 | 106,743,950 | 10,674,395 | 106,743,950 |
| (c) Subscribed and fully paid up 1,06,74,395 Equiity shares of ` 10 each with voting rights | 10,674,395 | 106,743,950 | 10,674,395 | 106,743,950 |
| Total | 10,674,395 | 106,743,950 | 10,674,395 | 106,743,950 |

N. R. INTERNATIONAL LIMITED

Notes forming part of the financial statements

Note 4 Reserve and Surplus

| | As at 31 March, 2013 | As at 31 March, 2012 |
|---|-------------------------|-------------------------|
| General Reserve | | |
| Balance as at the beginning of the year | 2,584,717 | 2,584,717 |
| Less: Adjustment on amalgamation of | - | - |
| Balance as at the end of the year | 2,584,717 | 2,584,717 |
| Revaluation Reserve | | |
| Balance as at the beginning of the year | 80,825,335 | 81,914,910 |
| Less: Utilised for set off against depreciation | 1,089,575 | 1,089,575 |
| Less: Utilised for set off against sale of revalued assets | 27,132,933 | - |
| Balance as at the end of the year | 52,602,827 | 80,825,335 |
| Securities Premium Account | | |
| Balance as at the beginning of the year | 1,002,400 | 1,002,400 |
| Less: Amount utilised during the year | - | - |
| Balance as at the end of the year | 1,002,400 | 1,002,400 |
| Amalgamation Reserve | | |
| Balance as at the beginning of the year | 69,346,950 | 69,346,950 |
| Less: Adjustment on amalgamation of | - | - |
| Balance as at the end of the year | 69,346,950 | 69,346,950 |
| Surplus in Statements of Profit and Loss | | |
| Balance as at the beginning of the year | (11,554,737) | (21,676,386) |
| Profit for the Year | (8,661,577) | 10,121,649 |
| Less: Appropriations | | |
| Proposed Dividend on Equity Shares for The Year | | |
| Dividend Distribution tax on Proposed Dividend on Equity Shares | | |
| Proposed Dividend on Preference Shares for The Year | | |
| Dividend Distribution tax on Proposed Dividend on Preference Shares | | |
| Transfer to Debenture Redemption Reserve | | |
| Transfer to General Reserve | | |
| Balance as at the end of the year | (20,216,315) | (11,554,737) |
| | | |
| TOTAL | 105,320,579 | 142,204,665 |

N. R. INTERNATIONAL LIMITED
Notes forming part of the financial statements

Note 5. Long-Term Borrowings

| Particulars | As at 31 March, 2013 | As at 31 March, 2012 |
|---|-------------------------|-------------------------|
| Secured Term loans | | |
| From Bank (Against hypothecation of assets) | 115,805,904 | 165,805,904 |
| From Bank (Against Vehicles) | 181,074 | 837,144 |
| Total | 115,986,978 | 166,643,048 |

(b) Nature of Security and terms of repayment for secured borrowings (other than debentures):

| Nature of Security | Terms of Repayment |
|--|---|
| <p>i) Terms loans from Banks amounting to Rs. 11.58 crore (March 31, 2012: Rs. 16.58 crore) are secured by first charge on entire existing and future fixed assets, both movable and immovable of the company including EM of the following properties :</p> <p>a) EM of 28.05 acres of land with building at Bainchua, Tangi, Cuttack</p> <p>b) EM of 2.99 acres of land and building at Namkum, Ranchi.</p> <p>c) EM of 4.62 acres of land & building with plant & machinery at Govindpur, Dhenkanal.</p> <p>d) EM of 2.596 acres of leasehold land with factory building and plant & machinery at Tupudana Industrial Estate, Ranchi.</p> <p>e) EM of 7.90 acres of land situated at Jharsuguda, Orrisa</p> <p>f) EM of land with an area of 12.15 acres in the name of Sunrise Sponge Iron & Steels P Ltd at Cuttack, Bamanpur.</p> <p>g) EM of land with an area of 22.06 acres in the name of Sunrise Sponge Iron & Steels P Ltd at Cuttack, Bamanpur.</p> <p>h) EM of factory land with an area of 0.15 acres in the name of Sunrise Sponge Iron & Steels P Ltd and 2.920 acres in the name of Orissa Coal Fields and Washeries Ltd at Bainchua, Cuttack.,</p> <p>ii) Term loans with financial institutions is secured by hypothecation of vehicles.</p> | <p>i) Terms loans from Banks amounting to Rs. 11.58 crore (March 31, 2012: Rs. 16.58 crore) is repayable in 20 equal quarterly installments after moratorium of 12 months from the date of restructuring / sanction (Date of sanction : 30.08.2010)</p> <p>ii) Term loans from financial institutions is repayable by way of equated monthly installments</p> |

Note : 1) Bank has during the current financial year released it's charge on land with building at Bainchua, Tangi, Cuttack against on account payment of dues.

2) As the account has become NPA and the amount is paid as per the availability of fund. No specific repayment schedule is available. Hence entire outstandings has been shown as Long Term Borrowings.

(c) The term loan from bank specified in (b)(i) above, has been declared as NPA by the Bank on 11.05.2011.

N. R. INTERNATIONAL LIMITED
Notes forming part of the financial statements

Note 6. Deferred Tax Liabilities (Net)

| Particulars | As at 31 | As at 31 |
|--|--------------------|------------------|
| | March, 2013 | March, 2012 |
| Deferred Tax Liability | | |
| Difference between carrying amount of fixed assets | 9,540,694 | 18,752,712 |
| Deferred Tax Assets | | |
| Carry Forward Business Loss | 14,265,297 | 16,684,600 |
| Inadmissible Expenses | - | |
| Provision for compensated absences, gratuity and other employee benefits | 33,083 | 32,105 |
| Total | (4,757,686) | 2,036,007 |

Notes :

- 1) Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws.
- 2) The company does not make any provision for deferred tax assets.

Note 7. Long Term Provision

| Particulars | As at 31 | As at 31 |
|---------------------------------|----------------|----------------|
| | March, 2013 | March, 2012 |
| Provision for employee benefits | | |
| Provision for gratuity | 107,066 | 103,900 |
| Total | 107,066 | 103,900 |

N. R. INTERNATIONAL LIMITED
Notes forming part of the financial statements

Note 8. Short-Term Borrowings

| Particulars | As at 31 | As at 31 |
|--|--------------------|--------------------|
| | March, 2013 | March, 2012 |
| Secured Loans: | | |
| Working Capital Loans repayable on demand from Banks | 123,735,474 | 123,745,587 |
| Total | 123,735,474 | 123,745,587 |

a) Working Capital loans from banks are secured by hypothecation of inventories, book debts and receivables

| (b) Details of security for the secured short-term borrowings: | | | |
|---|--|--------------|--------------|
| Particulars | Nature of security | As at 31 | As at 31 |
| | | March, 2012 | March, 2011 |
| | | in Lacs | in Lacs |
| <u>Loans repayable on demand from banks:</u> | a) EM of 28.05 acres of land with building at Bainchua, Tangi, Cuttack | 540 | 540 |
| The Federal Bank Ltd 1, R N Mukherjee Road, Kolkata - 700 001 | b) EM of 2.99 acres of land and building at Namkum, Ranchi. | 44 | 44 |
| | c) EM of 4.62 acres of land & building with plant & machinery at Govindpur, Dhenkanal. | 600 | 600 |
| | d) EM of 2.596 acres of leasehold land with factory building and plant & machinery at Tupudana Industrial Estate, Ranchi. | 175 | 175 |
| | e) EM of 7.90 acres of land situated at Jharsuguda, Orrisa | 50 | 50 |
| | f) EM of land with an area of 22.06 acres in the name of Sunrise Sponge Iron & Steels P Ltd at Cuttack, Bamanpur. | 175 | 175 |
| | g) EM of factory land with an area of 0.15 acres in the name of Sunrise Sponge Iron & Steels P Ltd and 2.920 acres in the name of Orissa Coal Fields and Washerries Ltd at Bainchua, | 379 | 379 |
| | | 1,963 | 1,963 |

Note : 1) Bank has during the current financial year released its charge on land with building at Bainchua, Tangi, Cuttack against on account payment of dues.

(c) The Loan Account under the secured short-term borrowings has become NPA as on 11.05.2011

N. R. INTERNATIONAL LIMITED
Notes forming part of the financial statements

Note 9. Trade Payables

| Particulars | As at 31 | As at 31 |
|------------------------|------------------|------------------|
| | March, 2013 | March, 2012 |
| Trade payables: | | |
| Sundry Creditors | 6,296,588 | 5,885,975 |
| Total | 6,296,588 | 5,885,975 |

Note 10. Other Current Liabilities

| Particulars | As at 31 | As at 31 |
|---|-------------------|-------------------|
| | March, 2013 | March, 2012 |
| (a) Advances from Customers | 3,525,556 | 25,992,842 |
| (b) Other payables | | |
| (a) Advances Against Rent | 133,314 | 703,754 |
| (b) Electricity & Telephone Charges Payable | 94,069 | 9,144,981 |
| (c) Service Tax Payable | 1,688,319 | 7,371,951 |
| (d) TDS Payable | 2,416 | 634,453 |
| (e) Sales Tax Payable | - | 637 |
| (f) ESIC & PF Payable | 14,845 | 14,464 |
| (g) Professional Tax Payable | 580 | 1,045 |
| (h) Amount payable to Paradeep Port Trust | 4,541,678 | 6,938,639 |
| (i) Security Deposit Received | 200,000 | 415,000 |
| (j) Director's Remuneration Payable | 111,000 | 315,000 |
| (k) Salary & Wages Payable | 296,455 | 305,621 |
| (l) Others | 1,415,274 | 1,356,236 |
| Total | 12,023,506 | 53,194,623 |

N. R. INTERNATIONAL LIMITED
Notes forming part of the financial statements

Note 11.A TANGIBLE ASSETS

| Sl. No. | Tangible assets | GROSS BLOCK | | | DEPRECIATION | | | | NET BLOCK | | |
|---------|---------------------------------|-----------------------------|------------------|-------------------|------------------------------|-----------------------------|--|------------------------------|------------------------------|------------------------------|------------------------------|
| | | Balance as at 1 April, 2012 | Additions | Other adjustments | Balance as at 31 March, 2013 | Balance as at 1 April, 2012 | Depreciation / amortisation expense for the year | Deduction/ Other adjustments | Balance as at 31 March, 2013 | Balance as at 31 March, 2013 | Balance as at 31 March, 2012 |
| (a) | Land | | | | | | | | | | |
| | Freehold | 97,970,580 | 213,675 | 45,647,217 | 52,537,039 | - | - | - | 52,537,039 | 97,970,580 | |
| | Leasehold * | 964,992 | - | - | 964,992 | - | - | - | 964,992 | 964,992 | |
| (b) | Buildings | | | | | | | | | | |
| | Owned | 28,984,684 | - | 14,309,117 | 14,675,567 | 6,916,089 | 768,291 | 2,897,634 | 4,786,746 | 9,888,821 | 22,068,595 |
| (c) | Plant and Equipment | | | | | | | | | | |
| | Owned | 86,915,877 | 1,138,982 | 31,594,635 | 56,460,224 | 30,928,753 | 3,833,003 | 8,662,751 | 26,099,005 | 30,361,219 | 55,987,124 |
| (d) | Furniture and Fixtures | | | | | | | | | | |
| | Owned | 329,046 | - | - | 329,046 | 218,331 | 17,940 | - | 236,271 | 92,775 | 110,715 |
| (e) | Vehicles | | | | | | | | | | |
| | Owned | 4,494,049 | - | 97,383 | 4,396,666 | 1,955,261 | 421,782 | 62,258 | 2,314,785 | 2,081,881 | 2,538,788 |
| (f) | Office equipment | | | | | | | | | | |
| | Owned | 1,010,542 | 5,850 | 26,600 | 989,792 | 295,378 | 48,234 | 16,573 | 327,039 | 662,753 | 715,164 |
| (g) | Computers | | | | | | | | | | |
| | Owned | 1,111,598 | - | 111,311 | 1,000,287 | 877,357 | 127,658 | 101,646 | 903,369 | 96,918 | 234,241 |
| | Total | 221,781,368 | 1,358,507 | 91,786,262 | 131,353,613 | 41,191,169 | 5,216,908 | 11,740,862 | 34,667,215 | 96,686,398 | 180,590,199 |
| | Capital Work In Progress | 1,660,373 | - | - | 1,660,373 | - | - | - | - | 1,660,373 | 2,433,633 |
| | Total | 223,441,741 | 1,358,507 | 91,786,262 | 133,013,986 | 41,191,169 | 5,216,908 | 11,740,862 | 34,667,215 | 98,346,771 | 183,023,832 |
| | Previous year | 277,951,987 | 428,344 | 47,308,524 | 224,580,723 | 60,660,464 | 7,675,729 | 27,145,024 | 41,191,169 | 183,389,554 | 217,291,523 |

Notes :

- a) Figures in other adjustments represents disposal of assets during the year.
b) Land at Tangi was revalued in 2002 by an external valuer at the then market value which resulted in a net increase of Rs. 5,57,97,563/-
c) Plant & Machinery at Coke Oven Plant was revalued in 2006 by an external valuer at the then market value which resulted in a net increase of Rs. 2,29,38,423/-
d) Land at Jharsugda was revalued in 2006 by an external valuer at the then market value which resulted in a net increase of Rs. 91,70,094/-

Note 11 B Fixed Assets (contd.)

| Particulars | | | | | |
|--|--|----------------|----------------|-----------------------------------|-----------------------------------|
| C. Depreciation and amortisation relating to continuing operations: | | | | | |
| Particulars | | | | For the year ended 31 March, 2013 | For the year ended 31 March, 2012 |
| Depreciation and amortisation for the year on tangible assets as per Note 12 A | | | | 5,216,908 | 11,764,925 |
| Depreciation and amortisation for the year on intangible assets as per Note 12 B | | | | - | - |
| Less: Utilised from revaluation reserve | | | | 1,089,575 | 1,089,575 |
| Depreciation and amortisation relating to discontinuing operations (Refer Note 30.11) | | | | - | - |
| Depreciation and amortisation relating to continuing operations | | | | 4,127,333 | 10,675,350 |
| Notes: | | | | | |
| (i) Details of amounts written off on reduction of capital or revaluation of assets or sums added to assets on revaluation during the preceding 5 years: | | | | | |
| Particulars | | Year | | | |
| | | 31 March, 2013 | 31 March, 2012 | 31 March, 2011 | 31 March, 2010 |
| Opening balance | | | | | |
| Written off on reduction of capital | | | | | |
| Date | | | | | |
| Amount | | | | | |
| Written off on revaluation | | | | | |
| Date | | | | | |
| Amount | | | | | |
| Added on revaluation | | | | | |
| Date | | | | | |
| Amount | | | | | |
| Balance as at 31 March | | | | | |

N. R. INTERNATIONAL LIMITED
Notes forming part of the financial statements

Note 12. Non-Current Investments

| Particulars | As at 31 | As at 31 |
|--|--------------------|--------------------|
| | March, 2013 | March, 2012 |
| Trade Investments | | |
| Other Investments (Valued at cost stated otherwise) | | |
| Investment in Associates: | | |
| 5,00,000 Equity Shares (March 31st 2012 - 8,70,000 Shares) of Rs.10/- each held in M/s Surya Sponge Iron Limited | 15,500,000 | 26,970,000 |
| Total | 15,500,000 | 26,970,000 |

N. R. INTERNATIONAL LIMITED
Notes forming part of the financial statements

Note 14. Other Non-Current Assets

| Particulars | As at 31 March, 2013 | As at 31 March, 2012 |
|---------------------------------|-------------------------|-------------------------|
| (a) Long-term trade receivables | - | - |
| (b) Others NSC Deposits | 88,677 | 88,677 |
| Total | 88,677 | 88,677 |

Note. 15 Inventories

(At lower of cost and net realisable value)

| Particulars | As at 31 March, 2013 | As at 31 March, 2012 |
|-------------------------------|-------------------------|-------------------------|
| (a) Raw Materials | | |
| Sponge Iron | 454,359 | 454,359 |
| Scrap Iron | 181,759 | 859,466 |
| | 636,118 | 1,313,825 |
| (c) Finished Goods | | |
| Coke | 904,821 | 904,821 |
| M S Ingot | 190,981 | 190,981 |
| Fuel & Lubricant | 13,342 | 13,342 |
| Transformer | 82,869 | 82,869 |
| | 1,192,012 | 1,192,013 |
| (e) Consumables Stores | 189,808 | 189,808 |
| Total | 2,017,939 | 2,695,646 |

Note 16. Trade Receivables

| Particulars | As at 31 March, 2013 | As at 31 March, 2012 |
|--|-------------------------|-------------------------|
| Trade Receivables outstanding for a period exceeding six months from the date they are due for payment | | |
| Unsecured, considered good | 84,676,555 | 115,647,604 |
| | 84,676,555 | 115,647,604 |
| Other Trade receivables | | |
| Unsecured, considered good | 40,018,701 | 91,337,064 |
| | 40,018,701 | 91,337,064 |
| Total | 124,695,256 | 206,984,668 |

N. R. INTERNATIONAL LIMITED
Notes forming part of the financial statements

Note 17. Cash and Cash Equivalents

| Particulars | As at 31 March, | As at 31 March, |
|-----------------------------|-------------------|-------------------|
| | 2013 | 2012 |
| (a) Cash on hand | 10,599,819 | 17,946,951 |
| (b) Cheques, drafts on hand | | - |
| (c) Balances with banks | | |
| (i) In Current Accounts | 570,816 | 17,109,685 |
| (ii) In Fixed Deposit | 5,225 | 24,936 |
| Total | 11,175,861 | 35,081,572 |

Note 18 Short-Term Loans and Advances

| Particulars | As at 31 March, | As at 31 |
|--|-------------------|--------------------|
| | 2013 | March, 2012 |
| (a) Loans and advances to employees | | |
| Unsecured, considered good | 12,500 | 10,665 |
| | 12,500 | 10,665 |
| (a) Prepaid expenses - Unsecured Considered Good | 50,000 | 4,800 |
| (b) Balances with government authorities | | |
| Unsecured, considered good | | |
| (i) Input Vat Balance | - | 21,932,735 |
| (ii) Entry tax refundable | - | 7,166,826 |
| (iii) Service Tax Input Credit | 819,574 | - |
| (iv) Excise Duty Modvat | 3,887,225 | 3,887,770 |
| | 4,706,799 | 32,987,330 |
| (c) Others | | |
| Unsecured, considered good | | |
| Income Tax Advance & TDS | 5,226,341 | 6,830,320 |
| Advance against Purchase | 906,063 | 2,612,942 |
| Others Advances | 13,095,852 | 62,473,635 |
| | 19,228,256 | 71,916,898 |
| Total | 23,997,555 | 104,919,693 |

Note 19 Other Current Assets

| Particulars | As at 31 March, | As at 31 |
|-------------------------------|------------------|------------------|
| | 2013 | March, 2012 |
| (a) Unmatured Finance Charges | | |
| - Unsecured Considered Good | 55,932 | 55,932 |
| (b) Others | | |
| Unsecured, considered good | | |
| Interest Receivable | 4,316,495 | 4,316,495 |
| | 4,316,495 | 4,316,495 |
| Total | 4,372,427 | 4,372,427 |

N. R. INTERNATIONAL LIMITED
Notes forming part of the financial statements

Note 20. Revenue

| Sl. No | Particulars | Year ended | |
|--------|--|--------------------|--------------------|
| | | March 31, 2013 | March 31, 2012 |
| (a) | Sale of Products (Refer Note (i) below) | 4,955 | 168,073 |
| (b) | Sale of Services (Refer Note (ii) below) | 253,015,253 | 309,372,890 |
| | | 253,020,208 | 309,540,963 |
| (c) | Less: Excise Duty | 545 | 15,700 |
| | Total | 253,019,663 | 309,525,263 |

| Note | Particulars | Year ended | |
|------|--|--|---|
| | | March 31, 2013 | March 31, 2012 |
| (i) | Sale of Products Comprises : <u>Manufactured goods</u> M S Scrap | 4,955 | 168,073 |
| | Total - Sale of Traded Goods | 4,955 | 168,073 |
| | Total - Sale of Products | 4,955 | 168,073 |
| (ii) | Sale of Services Comprises : Transportation Charges Received Cargo Handling Income Weighbridge Income | 187,781,365 64,179,818 1,054,070 | 207,836,630 100,382,790 1,153,470 |
| | Total - Sale of Services | 253,015,253 | 309,372,890 |

Note 21. Other Income

| Sl. No | Particulars | Year ended | |
|--------|--|--------------------------------------|---|
| | | March 31, 2013 | March 31, 2012 |
| (a) | Interest Income Interest from Banks on Fixed Deposit Interest on Income Tax Refund Interest on Security Deposits | 2,512 - 9,575 | 24,171 481,482 65,842 |
| | | 12,087 | 571,495 |
| (b) | Other Non-Operating Income (Net of expenses directly attributable to such income) Plot Rent Received Profit on sale of fixed assets Prior period expenses written back Other income | 695,000 1,811,431 - 250,359 | 3,583,161 6,184,166 40,614 484 |
| | | 2,756,790 | 9,808,425 |
| | Total | 2,768,877 | 10,379,920 |

N. R. INTERNATIONAL LIMITED
Notes forming part of the financial statements

Note 22. Cost of Materials Consumed

| Particulars | Year ended | |
|-------------------------------------|----------------|----------------|
| | March 31, 2013 | March 31, 2012 |
| Opening Stock | 1,503,634 | 2,421,258 |
| Add: Purchases | - | - |
| | 1,503,634 | 2,421,258 |
| Less; Sale of Consumables | - | - |
| Less: Closing Stock | 825,927 | 1,503,634 |
| Cost of Material Consumed | 677,707 | 917,624 |
| Material Consumed Comprises: | | |
| Purchase - Consumables | - | 7,525 |
| Carriage Inward | - | 7,713 |
| Total | 677,707 | 932,862 |

Note 23 Purchase of Traded Goods

| Particulars | Year ended | |
|--------------|----------------|----------------|
| | March 31, 2013 | March 31, 2012 |
| | - | - |
| Total | - | - |

Note 24 Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

| Particulars | Year ended | |
|--|----------------|----------------|
| | March 31, 2013 | March 31, 2012 |
| <u>Inventories at the end of the year:</u> | | |
| Finished goods | 1,192,012 | 1,192,012 |
| Work-in-progress | - | - |
| Stock-in-trade | - | - |
| | 1,192,012 | 1,192,012 |
| <u>Inventories at the beginning of the year:</u> | | |
| Finished goods | 1,192,012 | 1,192,012 |
| Work-in-progress | - | - |
| Stock-in-trade | - | - |
| | 1,192,012 | 1,192,012 |
| Net (Increase) / Decrease | 0 | 0 |

Note 25. Employee Benefits Expenses

| Particulars | Year ended | |
|--|------------------|------------------|
| | March 31, 2013 | March 31, 2012 |
| Salaries, Wages & Allowances | 2,387,758 | 2,800,294 |
| Contributions to provident and other funds | 118,136 | 125,877 |
| Defined Benefit - Gratuity Provisions | 3,166 | (159,947) |
| Staff Welfare Expenses | 82,853 | 8,874 |
| Total | 2,591,913 | 2,775,098 |

N. R. INTERNATIONAL LIMITED
Notes forming part of the financial statements

Note 26. Finance costs

| Particulars | Year ended | |
|-------------------------------------|------------------|----------------------|
| | March 31, 2013 | March 31, 2012 |
| (i) Interest Expenses on Borrowings | - | 52,873,538 |
| (iii) Others Borrowing Cost | | |
| Interest on Hire Purchase Finance | - | 110,409 |
| Interest - PPT | 979,407 | 603,042 |
| Interest - TDS | 217,675 | 174,473 |
| Interest - Service Tax | 721,018 | 977,813 |
| Interest - Others | 250 | 146,058 |
| Total | 1,918,350 | 54,885,333.82 |

Note 27. Other Expenses

| Particulars | Year ended | |
|----------------------------------|--------------------|--------------------|
| | March 31, 2013 | March 31, 2012 |
| Power and fuel | 2,484,697 | 2,920,904 |
| Repairs and maintenance | 382,274 | 288,427 |
| Quality Claim Written Off | - | 24,056,310 |
| Ship Freight | 78,745,240 | 131,409,720 |
| Wharfage Charges | 16,722,486 | 27,712,427 |
| Tippling & Terminal Charges | 18,064,780 | 25,436,256 |
| Payloader Operating Expenses | - | 99,301 |
| Tipper Operating Expenses | 166,181 | 1,581,160 |
| Truck Operating Expenses | - | 460,396 |
| Transportation Expenses | 92,656,040 | 21,496,383 |
| Other Operating Expenses | 3,815,181 | 1,655,231 |
| Advertisement & Publicity | 2,202 | 28,971 |
| Bank Charges | 65,136 | 68,046 |
| Directors Remuneration | 600,000 | 1,620,000 |
| Electricity & Maintenance | 129,501 | 197,595 |
| Entry Tax | 7,166,826 | - |
| Insurance | 26,507 | 219,292 |
| Legal & Professional Charges | 196,918 | 2,113,464 |
| Loss on Sale of Investments | 10,140,000 | - |
| Other Expenses | 324,006 | 301,166 |
| Sundry Balance written off | - | 12,856,108 |
| Rates & Taxes | 93,679 | 266,218 |
| Rent | 98,264 | 92,314 |
| Telephone, Postage & Telegram | 147,712 | 158,992 |
| Printing & Stationery | 31,045 | 30,446 |
| Travelling & Conveyance | 1,107,161 | 278,032 |
| VAT Tax | 21,932,735 | - |
| Car Fuel & Maintenance | 72,086 | - |
| | 255,170,657 | 255,347,159 |
| Payments to the Auditors: | | |
| As Auditors - Statutory Audit | 146,600 | 146,600 |
| For Taxation Matters | 25,000 | 25,000 |
| For Other Services | 10,000 | 10,000 |
| Total | 255,352,257 | 255,528,759 |

Note 28.a Exceptional items

| Particulars | Year ended | |
|--------------|----------------|----------------|
| | March 31, 2013 | March 31, 2012 |
| | - | - |
| Total | - | - |

Note 28.b Extraordinary items

| Particulars | Year ended | |
|--------------|----------------|----------------|
| | March 31, 2013 | March 31, 2012 |
| | - | - |
| Total | - | - |

N. R. INTERNATIONAL LIMITED

Notes forming part of the financial statements

Note 29 Additional information to the financial statements

| Note | Particulars | | |
|------|--|-----------------------------|--|
| 29.1 | Contingent liabilities and commitments (to the extent not provided for) | | |
| | | As at 31 March, 2013 | As at 31 March, 2012 |
| (i) | Contingent liabilities | - | - |
| | (a) Income Tax demand disputed by the company and is under appeals | - | 1,812,353 |
| | (b) Claims not acknowledged by the Company | 1,751,000 | 1,751,000 |
| | (c) Guarantee provided by the Company in favour of Allahabad Bank on behalf of Surya Sponge Iron Ltd | 146,500,000 | 146,500,000 |
| | (d) Sales Tax Demand of M/s Sunrise Sponge Iron and Steels P Ltd and M/s Shree Maruti Steels & Castings Ltd (Both now merged with the Company) wherein the company has filed appeals against the order. | 52,286,361 | 52,286,361 |
| 29.2 | Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 | | |
| | Particulars | As at 31 March, 2013 | As at 31 March, 2012 |
| | (i) Principal amount remaining unpaid to any supplier as at the end of the accounting year | 52,934 | 99,544 |
| | (ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | Not Ascertained | Not Ascertained |
| | (iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day | NIL | NIL |
| | (iv) The amount of interest due and payable for the year | Not Ascertained | Not Ascertained |
| | (v) The amount of interest accrued and remaining unpaid at the end of the accounting year | Not Ascertained | Not Ascertained |
| | (vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | Not Ascertained | Not Ascertained |
| | Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors. | | |
| 29.3 | Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges | | |
| | Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties: | | |
| | Name of the party | Relationship | Amount outstanding as at 31 March, 2013 |
| | | | Maximum balance outstanding during the year |
| | | NIL (Previous Year : NIL) | |
| | Note: Figures in bracket relate to the previous year. | | |

Notes forming part of the financial statements

N. R. INTERNATIONAL LIMITED

Note 29 Additional information to the financial statements (contd.)

| Note | Particulars | For the year ended 31 March, 2013 | |
|------|--|--------------------------------------|--------------|
| | | ` | % |
| 29.4 | Details of consumption of imported and indigenous items * | | |
| | <u>Indigenous</u> Raw materials | 677,707 (932,862) | 100 (100) |
| | Total | 677,707 (932,862) | 100 (100) |
| | Note: Figures / percentages in brackets relates to the previous year | | |

| 29.5 | <u>IMPAIRMENT OF ASSETS</u> | As at 31 March, 2013 | As at 31 March, 2012 |
|------|---|-------------------------|----------------------|
| | There is no impairment of Assets during the year. | NIL | NIL |

| 29.6 | EXPENDITURE IN FOREIGN CURRENCY | As at 31 March, 2013 | As at 31 March, 2012 |
|------|--|-------------------------|----------------------|
| | | NIL | NIL |

| 29.7 | EARNING IN FOREIGN CURRENCY | As at 31 March, 2013 | As at 31 March, 2012 |
|------|------------------------------------|-------------------------|----------------------|
| | | NIL | NIL |

Notes forming part of the financial statements

N. R. INTERNATIONAL LIMITED

Note 29 Additional information to the financial statements (contd.)

| | | | | | |
|-----------|--|-----|----------------------|-----------|--------------------|
| 29.8 | Other Informations | | | | |
| a) | <p>The company has during the year surrendered it's registration under Orissa VAT and Entry Tax and therefore the amount receivable from them, now becoming unrealisable has been written off during the year as under :</p> <table style="margin-left: 20px;"><tr><td>VAT</td><td>: Rs. 2,19,32,734.50</td></tr><tr><td>Entry Tax</td><td>: Rs. 71,66,825.83</td></tr></table> | VAT | : Rs. 2,19,32,734.50 | Entry Tax | : Rs. 71,66,825.83 |
| VAT | : Rs. 2,19,32,734.50 | | | | |
| Entry Tax | : Rs. 71,66,825.83 | | | | |
| b) | <p>The company maintains separate books of accounts for it's unit – M/s Bharat Hardcoke Manufacturers at Ranchi which are audited by M/s V. Modi & Co. (Chartered Accountants) at Ranchi. The audited accounts of the unit is merged in the statement of accounts of the company.</p> | | | | |
| c) | <p>Some of the Debtors, creditors, advances and other ledger balances are subject to confirmation.</p> | | | | |
| d) | <p>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.</p> | | | | |
| e) | <p>The Company has sold part of Tangi Land with Building and Plant & Machinery thereat to M/s Flexir Impex P Ltd where wife the Chairman is a director at a total price of Rs. 5.00 Crores wherein the company has incurred a loss of Rs. 12,39,182/-. As the market value of the assets sold could not be ascertained, reasonableness of the transaction could not be established.</p> | | | | |
| f) | <p>The Company has sold part of immovable properties of the compant to M/s Aim Credit Capital P Ltd where wife and son of the Chairman are directors at a total price of Rs. 17.50 Lacs wherein the company has earned a overall profit of Rs. 1,12,159/-. As the market value of the assets sold could not be ascertained, reasonableness of the transaction could not be established.</p> | | | | |
| g) | <p>The Company has sold part of it's investment in equity share capital of M/s Surya Sponge Iron Limited to M/s Aim Credit Capital Pvt Ltd and Bharat Global Private Limited where spouse of Chairman is a director and also to the Directors and their family members at a price lower than the cost price. The company has incurred a total loss of Rs. 1.01 crore out of such transactions.</p> | | | | |
| h) | <p>The Income Tax demand of Rs. 18,12,353/- has been very old and the whole of the demand amount has been adjusted against TDS refund. Therefore, the liability against the same has been taken as NIL for the current year. Now there is no demand on account of income tax - whether disputed or not as on the date of the balance sheet.</p> | | | | |
| i) | <p>The company has not made any provision for interest on secured borrowings from Banks as the account has become NPA and the company has taken up the matter with bank for One Time settlement where they expect waiver of interest and other charges.</p> | | | | |
| j) | <p>The company has not made any provision for interest on delay payment of outstanding statutory dues such as TDS, Service Tax, etc.</p> | | | | |
| k) | <p>The company is not having a full time company secretary thereby violating the provisions of sub section (1) of section 383 A of The Companies Act, 1956.</p> | | | | |

N. R. INTERNATIONAL LIMITED
Notes forming part of the financial statements

Note 30 Disclosures under Accounting Standards

30.1 Earnings Per Share

| Particulars | | Before Extraordinary items | | After Extraordinary items | |
|---|-----------|----------------------------|----------------|---------------------------|----------------|
| | | 31 March, 2013 | 31 March, 2012 | 31 March, 2013 | 31 March, 2012 |
| Basic | | | | | |
| a) Profit after Tax | | (8,661,577) | 10,121,649 | (8,661,577) | 10,121,649 |
| b) Less: Dividend on Preference Shares | | 0 | 0 | 0 | 0 |
| c) Adjust Net Profit for the Year | A | (8,661,577) | 10,121,649 | (8,661,577) | 10,121,649 |
| d) Weighted average number of Shares Outstandings | B | 10,674,395 | 10,674,395 | 10,674,395 | 10,674,395 |
| e) Basic EPS | A/B | (0.81) | 0.95 | 0.00 | 0.95 |
| Diluted | | | | | |
| a) Profit after Tax | A | (8,661,577) | 10,121,649 | (8,661,577) | 10,121,649 |
| b) Add: Interest expenses on convertible debenture (net of Tax) | B | 0 | 0 | 0 | 10,121,649 |
| c) Adjust Net Profit for the Year | C (A+B) | (8,661,577) | 10,121,649 | (8,661,577) | 10,121,649 |
| d) Weighted average number of shares outstandings | D | 10,674,395 | 10,674,395 | 10,674,395 | 10,674,395 |
| e) Add: Weighted average number of potential equity shares on account of employee stock option | E | 0 | 0 | 0 | 0 |
| f) Add: Weighted average number of potential equity shares on account of convertible debentures | F | 0 | 0 | 0 | 0 |
| g) Weighted average number of shares outstandings for diluted EPS | G (D+E+F) | 10,674,395 | 10,674,395 | 10,674,395 | 10,674,395 |
| h) Diluted EPS (Rs) | C/G | (0.81) | 0 | 0.00 | 0.95 |
| i) Face Value per share (Rs) | | 10 | 10 | 10 | 10 |

N. R. INTERNATIONAL LIMITED
Notes forming part of the financial statements

Note 30 Disclosures under Accounting Standards (Contd.....)

30.3 Related Party Transactions

As per accounting standard - 18 'Related Party Disclosures' as prescribed under Companies (Accounting Standards) Rules, 2006 the company's related parties and transactions are disclosed below.

A. Details of related parties:

| Description of relationship | Names of related parties |
|--|--|
| Holding Company | NIL |
| Subsidiaries | NIL |
| Associates | NIL |
| Key Management Personnel (KMP) | 1) Mr. Nirmal Modi 2) Mr. Deepak Agarwal |
| Relatives of KMP | 1) Mrs. Sangeeta Modi (Wife of Chairman Mr. Nirmal Modi) 2) Mrs. Anju Agarwal (Wife of Managing Director, Deepak Agarwal) 3) Mr. Abhishek Modi and Mr. Vineet Modi (Sons of Mr. Nirmal Modi) 4) Miss Shraddha Modi (Daughter of Mr. Nirmal Modi) |
| Company in which KMP / Relatives of KMP can exercise significant influence | 1) Bharat Global P Ltd 2) Surya Sponge Iron Ltd 3) Airm Credit Capital P Ltd 4) Flexir Impex P Ltd |

B. Related Party Transactions

| Details of related party transactions during the year ended 31 March, 2013 and balances outstanding as at 31 March, 2013 | | | | | | |
|--|-----------------------|----------------|------------------|----------------|--|----------------|
| Transaction /Balances | Key Managerial Person | | Relatives of KMP | | Ent with KMP & Relatives of KMP having influence | |
| | 31 March, 2013 | 31 March, 2012 | 31 March, 2013 | 31 March, 2012 | 31 March, 2013 | 31 March, 2012 |
| Sale of Fixed Assets | - | - | - | - | 51,750,000 | 20,000,000 |
| Sale of Investments | 135,000 | - | 315,000 | - | 20,700,000 | - |
| Advance Given | - | - | 800,000 | - | 1,000,000 | - |
| Share Application Money Paid | - | - | - | - | 182,520,000 | - |
| Rendering of Services | - | - | - | - | 10,312,117 | 25,688,952 |
| Remuneration paid | 600,000 | 1,620,000 | - | - | - | - |
| Accounting Charges | - | - | - | 36,000 | - | - |
| Rent Paid | - | - | - | - | 30,000 | - |
| Balances as at year end | | | | | | |
| Trade Receivable | - | - | - | - | 52,166,008 | 55,002,775 |
| Share Application Money | - | - | - | - | 182,520,000 | 20,000,000 |
| Short Term Loan & Advances | - | - | 800,000 | - | 1,000,000 | 58,885,330 |

C. Disclosures in respect of transactions which are more than 10% of the total transactions of the same type with related parties.

| | Transactions | | Balances | |
|------------------------------|----------------|----------------|----------------|----------------|
| | March 31, 2013 | March 31, 2012 | March 31, 2013 | March 31, 2012 |
| Sale of Fixed Assets | 51,750,000 | 20,000,000 | - | - |
| Sale of Investments | 21,150,000 | - | - | - |
| Advance Given | 1,800,000 | - | 1,800,000 | - |
| Share Application Money Paid | 182,520,000 | - | 182,520,000 | 2,000,000 |
| Rendering of Services | 10,312,117 | 25,688,952 | 52,166,008 | 38,617,775 |
| Remuneration paid | 600,000 | 1,620,000 | - | 315,000 |
| Accounting Charges | - | 36,000 | - | - |