

N B Footwear Limited

BOARD OF DIRECTORS

Mr. Rajen K. Desai - Director
 Mr. S. Krishnan - Director
 Mr. A.S. Chowdri - Director
 Mr. A.L. Prasad - Director
 Mr. Sudhakar Shetty - Director
 Mr. Kannan A. Yadav - Director
 Mr. Gregory Pereira - Director

AUDITORS

J.V. Ramanujam & Co.,
 Chartered Accountants
 Chennai.

BANKERS

Union Bank of India
 Broadway Branch
 Chennai - 600 108.

REGISTERED OFFICE & WORKS

63, Seduvalai Village
 Pin Number at : 632 104
 Virinjipuram Post
 Vellore Dist.
 Tamil Nadu, India.

ADMINISTRATIVE OFFICE

No. 11, Beemanna Garden Road,
 Alwarpet
 Chennai - 600 018.
 Tamil Nadu, India.

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N B Footwear Limited

NOTICE CONVENING TWENTY FIRST ANNUAL GENERAL MEETING

Notice is hereby given that the TWENTY FIRST ANNUAL GENERAL MEETING of the Company will be held at Lakshminarayan Hall, Hotel Ganga, No.16, Officers Line, Vellore 632 101 on Wednesday, the 30th September 2009 at 11.00 a.m. to transact the following business :-

ORDINARY BUSINESS

01. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2009 and the Profit and Loss Account for the year ended on that date together with the report of Directors and Auditors thereon.
02. To appoint a Director in the place of Mr S Krishnan who retires by rotation in terms of the Articles of Association of the Company and being eligible, offers himself for re-appointment.
03. To appoint a Director in the place of Mr Rajen K Desai who retires by rotation in terms of the Articles of Association of the Company and being eligible, offers himself for re-appointment.
04. To appoint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General meeting and fix up their remuneration. M/s. J V Ramanujam & Co., Chartered Accountants, the retiring Auditors are eligible for re-appointment.

By order of the Board

Place : Mumbai
Date : 31st July 2009

KANNAN A YADAV
DIRECTOR & CEO

Notes :-

01. A Member entitled to attend and vote at the meeting shall be entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The proxy in order to be valid, shall be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
02. The Register of Members and Share Transfer Books of the Company will remain closed from 29th September, 2009 to 30th September 2009 (both days inclusive).
03. Members are requested to notify immediately any change in their address.

By order of the Board

Place : Mumbai
Date : 31st July 2009

KANNAN A YADAV
DIRECTOR & CEO

N B Footwear Limited

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

S.No.	Particulars	S Krishnan	Rajen K Desai
01.	Date of Birth	02.09.1962	29.09.1949
02.	Date of appointment	17.10.1998	22.03.1996
03.	Qualifications	B.Sc, A.C.A., A.C.S.	B.Com
04.	Expertise in specific functional area	A graduate in physics from University of Madras Has over two decades of varied experience in Industry comprising of automobile, leather footwear and pharmaceuticals.	A first generation Industrialist and is well conversant in the field of bulk drug manufacturing and having expertise in analyzing financial data.
05.	Directorships held in other Public Companies (including Foreign Companies)	Nil	2
06.	Memberships/Chairmanships of Committees of other public Companies (include only Audit and Shareholders/ Investors Grievance Committee)	-	-
07.	No. of shares held in the Company	Nil	3,14,900

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DIRECTORS REPORT

The Members,
NB FOOTWEAR LIMITED

Dear Sirs,

The Directors are pleased to present their **TWENTY FIRST ANNUAL REPORT** together with the audited annual accounts for the year ended 31st March 2009.

01. FINANCIAL RESULTS

The financial results for the year ended 31st March 2009 are given below :-

S.No. Description	2008-2009 (Rs. in lakhs)	2007-2008
01. Turnover/Income	0.00	0.00
02. Operating Loss	(17.04)	(17.69)
03. Profit/(Loss) before Interest and Depreciation	(17.04)	(17.69)
04. Interest	0.00	0.00
05. Depreciation	22.11	22.31
06. Net Profit/(Loss)	(39.15)	(40.00)

02. PERFORMANCE

There was no manufacturing activity during the year under review. The operations have resulted in a net loss of Rs. 39.15 lakhs.

03. OUTLOOK :-

The Members are aware that the Company has discontinued operations in 2001. The plant, machinery and other equipment required for manufacture need to be balanced in order to revive commercial production. The Company is looking at reviving the footwear production as also other avenues for revenue generation.

04. DIRECTORS

Mr S Krishnan and Mr Rajen K Desai, Directors retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

05. AUDITORS

M/s. J V Ramanujam & Co., Chartered Accountants, the Statutory Auditors of the Company hold office until the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment.

06. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND ADAPTATION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details relating to conservation of energy, technology absorption and adaptation and foreign

exchange earnings and outgo for the year ended 31st March 2009 as required under Section 217(1)(e) of the Companies Act, 1956 are NIL.

07. DEPOSITS

The Company has not accepted any deposits from the public.

08. EMPLOYEES

There are no employees who are in receipt of the remuneration as prescribed under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and hence annexure as per the Section 217(2A) is not attached.

09. DIRECTORS' RESPONSIBILITY STATEMENT

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

- i) Followed the applicable accounting standards in the preparation of annual accounts;
- ii) Selected such accounting policies and applied them consistently and made judgement and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and profit or loss of the Company for the year under review.
- iii) Taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and detecting fraud and other irregularities;
- iv) Prepared the accounts for the financial year on a 'going concern' basis.

10. CASH FLOW STATEMENT

As required by Clause 32 of the Listing Agreement, Cash Flow Statement for the year ended 31st March 2009 is enclosed.

11. CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges, a report on Corporate Governance with Auditors' Certificate on compliance of conditions of Corporate Governance and a Management Discussion and Analysis Report have been attached to form part of the Annual Report.

For and on behalf of the Board

Place : Mumbai
Date : 31st July .2009

KANNAN A YADAV
DIRECTOR & CEO

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REPORT ON CORPORATE GOVERNANCE

01) Philosophy on Code of Governance

The cornerstone of the philosophy of Corporate Governance adopted by your Board has at all times been based on integrity, transparency and fairness in all its dealings. The company will continue to seek enhancement to shareholder value within the framework of business ethics, regulatory compliances and contribution to society.

02) Board of Directors

The Board comprises of the following Directors as on 31st March 2009.

S.No.	Name of the Director	Category
01.	Mr. Rajen K. Desai	Promoter Director
02.	Mr. Kannan A. Yadav	Non-Executive Independent Director
03.	Mr. Sudhakar Shetty	-do-
04.	Mr. S. Krishnan	-do-
05.	Mr. Gregory Pereira	-do-
06.	Mr. A.S. Chowdri	-do-
07.	Mr. A.L. Prasad	-do-

None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.

3) Details of Attendance at Board Meetings and last Annual General Meeting (AGM) and details of memberships in other Boards and Committees.

The Board met Four times during the financial year on 30th June 2008, 31st July 2008, 31st October 2008 and 31st January, 2009.

Name of the Director	Category	No. of Board meetings attended	Whether attended last AGM	Membership in other Boards	Membership in other committees
Mr. Rajen K. Desai	Chairman	4	No	3	1
Mr. Kannan A. Yadav	Director	4	Yes	2	2
Mr. Sudhakar Shetty	Director	4	No	1	1
Mr. S. Krishnan	Director	Nil	Yes	1	1
Mr. Gregory Pereira	Director	4	No	1	1
Mr. A.S. Chowdri	Director	Nil	No	Nil	Nil
Mr. A.L. Prasad	Director	Nil	No	Nil	Nil

4) Audit Committee

i) Brief description of terms of reference

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Reviewing with management the annual financial statements before submission to the board.
- Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the structure of the internal audit department.

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- (f) Discussion with internal auditors any significant findings and follow up thereon.
- (g) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- (h) Discussions with external auditors before the audit commences on the nature and scope of audit as well as post-audit discussions to ascertain any area of concern.
- (i) Reviewing the company's financial and risk management policies.
- (j) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

ii) Composition, Name of Members and Chairperson of the Audit Committee

The Company has an Audit Committee of the Board comprising of 3 Members, The Committee held 4 Meetings during the year on 30th June 2008, 31st July 2008, 31st October 2008 and 31st January 2009

Name of the Member	Designation	No. of Meetings attended
Mr. Kannan Yadav	Chairman (Independent)	3
Mr. Sudhakar Shetty	Member (Independent)	3
Mr. Gregory Pereira	Member (Independent)	3

5) Remuneration Committee

No remuneration was paid to any Director during the year. Hence, the need for constitution of Remuneration Committee does not arise.

6) Share Transfer / Investors Grievance Committee

The Share Transfer / Investor Grievance Committee consists of Mr. Rajen K. Desai, Mr. S. Krishnan and Mr. Kannan A. Yadav. The Committee is authorised to approve the transfers / transmissions once in a fortnight and to look into grievances of shareholders.

Name of the non-Executive Director heading the Share Transfer/Investor Grievance Committee: Mr Rajen K Desai.

Name and designation of the Compliance officer: Mr. C. Ramakrishnan, Chief Financial Officer.

Requests for dematerialisation are confirmed on a daily basis.

During the year there were no complaints received from the shareholders and there are no pending investors grievances as on 31.03.2009.

7) General Body Meetings

The last three Annual General Meetings were held as under :

Date of AGM	Time	Venue
September 15 th 2008	11.00 a.m	Lakshminarayan Hall, Hotel Ganga, 16, Officers Line, Vellore – 632 101
August 31 st 2007	11.00 a.m	Lakshminarayan Hall, Hotel Ganga, 16, Officers Line, Vellore – 632 101
September 30 th 2006	11.00 a.m	Lakshminarayan Hall, Hotel Ganga, 16, Officers Line, Vellore – 632 101

No Special/Ordinary resolutions were required to be put through Postal Ballot at the AGM held on 15.09.2008.

8) Disclosures

- a) During the year the company had not entered into any transaction of material nature with any of the promoters, directors or the management, subsidiaries or relatives etc., which may have potential conflict with the interests of the company at large.