

19TH ANNUAL REPORT
2009-2010

N. R. INTERNATIONAL LTD.

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Board of Directors

Mr. Nirmal Modi
Mr. Deepak Agarwal
Mr. V. K. Srivastava
Mr. Abhay Kumar
Mr. B. R. Nanda
Captain Ajay Chauhan

Company Secretary

Mr. Biswa Ranjan Nanda

Auditors

Sanjay Jagdish & Co
Chartered Accountants

Registered Office

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

Bankers

The Federal Bank Limited

Registrars & Share Transfer Agents

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

N. R. INTERNATIONAL LIMITED

NOTICE

Notice is hereby given that the 19th Annual General Meeting of the Members of M/s N. R. International Limited will be held on Saturday, November 27, 2010 at 10.00 a.m. at the Merchants Chamber of Commerce, 15-B, Hemanta Basu Sarani, Kolkata - 700 001 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2010 and the Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint Directors in the place of Mr. Vinod Kumar Srivastava & Capt. Ajay Singh Chauhan who retires by rotation and being eligible, offers themselves 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 Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and that the Audit Committee of the Board of Directors be and is hereby authorised to determine the remuneration payable to the Company's Auditor."

By Order of the Board

Place: Cuttack
Date: 02.11.2010

Sd/-
Biswa Ranjan Nanda
Company Secretary

N. R. INTERNATIONAL LIMITED

NOTES:-

1. A member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 48 hours before the commencement of the meeting.
2. The Share Transfer Books and Register of Members of the Company will remain closed from 20.11.2010 to 27.11.2010 (both days inclusive).
3. Members are requested to produce the enclosed Attendance Slip duly signed as per the specimen signature with the Company / Depository Participant for admission to the Meeting Hall.
4. Members who hold shares in de-materialised form, are requested to bring their Client ID and DP ID Nos. for easier identification of attendance at the Meeting.
5. Members holding shares in physical form, are requested to notify immediately any change in their address and bank particulars to the Company or its Share Transfer Agents and in case their shares are held in de-materialised form, this information should be passed on directly without any delay to their respective Depository Participants and not to the Company or the Share Transfer Agents.
6. In all correspondence with the Company, members are requested to quote their folio numbers and in case their shares are held in de-materialised form, they must quote their DP ID and Client ID Numbers.
7. Members holding shares in physical form can now avail the facility of nomination in respect of shares held by them pursuant to amendment in the Companies Act, 1956. The prescribed Form (Form-2B) can be obtained from the share department of the Company on request. Members desiring to avail this facility may send their nomination forms duly filled in to the Company or its Share Transfer Agents by quoting their respective Folio Numbers.
8. Investors / Shareholders are requested to kindly note that if physical documents viz. Demat Request Forms (DRF) and Share Certificates etc. are not received from their DP's by the Share Transfer Agents (STA) within a period of 15 days from the date of generation of the DRN for dematerialisation, the DRN will be treated as rejected / cancelled. Upon rejection / cancellation of the DRN a fresh DRF has to be forwarded along with the Share Certificate by the DP's to the STA. This note is only to caution investors / shareholders that they should ensure that their DP's do not delay in sending the DRF and share certificates to the STA after generating DRN.

By Order of the Board

Place: Cuttack
Date: 02.11.2010

Sd/-
Biswa Ranjan Nanda
Company Secretary

N. R. INTERNATIONAL LIMITED

Chairman's Statement

Dear shareholders,

It gives me immense pleasure in welcoming you to the 19th Annual General Meeting of your Company. The Director's Report and Audited Accounts for the year ended 31st March, 2010 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.

Due to precarious condition of the World Economy and especially Global Price Recession in steel, coal & coke sector the turnover of the Company has reduced from Rs. 91.37 Crores to Rs. 85.21 Crores i.e. decreased by around 7% in comparison to the last financial year. Although, there was a marginal decrease in the turnover the impact of global price recession and volatile market condition lay down the profitability of the Company to its first ever cash loss on record to the extent of Rs. 2.00 Crores before depreciation. The profits before tax and after deferred tax are Rs. 3.20 Crores & Rs. 2.23 Crores respectively, which restricts your Board of Directors for recommendation of dividend for the financial year ended as on 31.03.2010. Due to the above the Company fails to achieve its financial projections and as an interim measure / relief, decided to reduce the installed capacity in Iron & Steel Manufacturing Sector followed by reduction in the debt liabilities, which will definitely make the rest projects or business activities of the Company more viable.

Your Company has already received green signal from the local villagers as well as concerned State Pollution Control Board of Orissa through a Public Hearing duly conducted by the Public Authorities to grant consent to establish for setting up of 0.9 MTPA Coal Beneficiation Plant at Tangi, Cuttack, Orissa. The implementation of the project is expected to commence during November, 2010. For smooth & timely implementation of the said project your Company seeks timely availability of long term financial assistance from out sources i.e. either from Banks or Financial Institutions. Accordingly, your company has planned to implement this project as a separate profit center and to avail financial assistance without clubbing the rest business activities of the Company into this project. The DPR is under preparation and financial tie-up will be done shortly.

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

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

Sd/-

Nirmal Modi

Chairman

N. R. INTERNATIONAL LIMITED

DIRECTOR'S REPORT

To
The Members of
N. R. INTERNATIONAL LIMITED

Your Directors have pleasure in presenting their Seventeenth Annual Report together with the audited accounts of the Company for the year ended March 31, 2010.

FINANCIAL RESULTS

The performance of the Company for the financial year ended 31st March 2009 is summarized below:

	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
Working for the year yielded a Profit before depreciation, Interest, and tax	2,19,97,403	5,49,22,135
Less : Interest & Finance Charges	4,20,39,245	3,88,01,934
Profit before Depreciation	(2,00,41,842)	1,61,20,201
Less Depreciation	1,19,89,226	1,11,05,015
Profit before Tax	(3,20,31,068)	50,15,186
Less : Provision for taxation	-	4,91,220
Deferred Tax	(97,19,452)	(2,39,831)
Fringe Benefit Tax	-	2,58,945
Profit after tax	(2,23,11,616)	45,04,852
Add : Surplus brought forwards previous year	2,65,45,375	2,20,40,523
Surplus carried to Balance Sheet	42,33,759	2,65,45,375

DIVIDEND

With a view to plough back of earnings for the future growth of the company, your Directors do not recommend any dividend of for the year.

REVIEW OF OPERATION

Due to precarious condition of the World Economy and especially Global Price Recession in steel, coal & coke sector the turnover of the Company has reduced from Rs. 91.37 Crores to Rs. 85.21 Crores i.e. decreased by around 7% in comparison to the last financial year. Although, there was a marginal decrease in the turnover the impact of global price recession and volatile market condition lay down the profitability of the Company to its first ever cash loss on record to the extent of Rs. 2.00 Crores before depreciation. The profits before tax and after deferred tax are Rs. 3.20 Crores & Rs. 2.23 Crores respectively, which restricts your Board of Directors for recommendation of dividend for the financial year ended as on 31.03.2010.

N. R. INTERNATIONAL LIMITED

FUTURE OUTLOOK

Your Company has already received green signal from the local villagers as well as concerned State Pollution Control Board of Orissa through a Public Hearing duly conducted by the Public Authorities to grant consent to establish for setting up of 0.9 MTPA Coal Beneficiation Plant at Tangi, Cuttack, Orissa. The implementation of the project is expected to commence during November, 2010. For smooth & timely implementation of the said project your Company seeks timely availability of long term financial assistance from out sources i.e. either from Banks or Financial Institutions. Accordingly, your company has planned to implement this project as a separate profit center and to avail financial assistance without clubbing the rest business activities of the Company into this project. The DPR is under preparation and financial tie-up will be done shortly.

RESERVES

The total Reserves as on 31st March 2010 has been reduced from Rs. 1836 Lacs to Rs. 1602 Lacs.

PARTICULARS OF EMPLOYEES

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

FIXED DEPOSITS

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

DIRECTORS

Mr. Vinod Kumar Srivastava and Capt. Ajay Singh Chouhan Directors, retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

AUDITORS

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

AUDITORS' REMARKS

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

DIRECTORS RESPONSIBILITY STATEMENT

Your Directors hereby confirm:

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

N. R. INTERNATIONAL LIMITED

PARTICULARS OF ENERGY CONSERVATION, ETC.

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

1.	Conservation of energy	NIL
2.	Technology Absorption	NIL
3.	Foreign Exchange Earning and out go	
a.	Foreign Exchange Earning	Rs. NIL
b.	Foreign Exchange Outgo	Rs. NIL

LISTING WITH STOCK EXCHANGES

The equity shares of the Company are listed in following Stock Exchanges as at 31.03.2010:

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

CORPORATE GOVERNANCE

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

DEMATERIALISATION OF SHARES

The Company has got the approval for dematerialisation of shares from National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have option to dematerialize the shares with any Depository under demat ISIN Number for both NSDL & CDSL is INE605F01017. Out of 1,06,74,395 Nos. of Equity Shares, the total number of shares held under NSDL & CDSL folios as at 31.03.2010 is furnished as under:

NSDL Folio :	59,47,922	:	55.72% of the total Equity Shares
CDSL Folio :	3,48,271	:	3.26% of the total Equity Shares

ACKNOWLEDGEMENT

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

For and on behalf of the Board

The 22nd day of September, 2010

Sd/-
Deepak Agarwal
Managing Director

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

We have audited the annexed Balance Sheet of **N. R. INTERNATIONAL LIMITED** as at 31st March 2010 and also the Profit & Loss Account for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these Financial Statements based on our audit.

We conducted our audit in accordance with Auditing Standards Generally Accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall Financial Statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

1. Further to our Comments in the Annexure referred to above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books;
 - c) The Balance Sheet, the Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

- d) In our opinion, Balance Sheet, the Profit & Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) On the basis of written representations received from the Directors, as on 31st March 2010, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2010 from being appointed as a Director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956;
- f) In our opinion and to the best of our information and according to the explanations given to us, the accounts give the information required by the companies Act, 1956 in the manner so required and give a true & fair view in conformity with the Accounting Principles Generally Accepted in India;
- i) In the case of the Balance Sheet of the state of affairs of the Company as at 31st March 2010,
- ii) In the case of Profit & Loss of the loss of the Company for the year ended on that date and
- iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Sanjay Jagdish & Co
Chartered Accountants

Sanjay Kumar Agarwal
Proprietor
Membership No.057794
Firm Regn No.324645E

Place : Kolkata

Date : 22nd September, 2010