

2011-2012

# 21ST ANNUAL REPORT

N.R.INTERNATIONAL LIMITED

DRAUPADI MAINSON, 3<sup>RD</sup> FLOOR,

11, BRABOURNE ROAD,

KOLKATA-700 001

# **N. R. INTERNATIONAL LIMITED**

## *21<sup>st</sup> ANNUAL REPORT*

**2011-2012**

### *Board of Directors*

Mr. Nirmal Modi  
Mr. Deepak Agarwal  
Vinod Kumar Srivastav  
Mr. Abhishek Modi

### *Auditors*

Sanjay Jagdish & Co  
Chartered Accountants

### *Registered Office*

3<sup>rd</sup> 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, 6<sup>th</sup> Floor  
Stephen House, 4, B. B. D. Bag (East)  
Kolkata - 700 001

# *N. R. INTERNATIONAL LIMITED*

## NOTICE

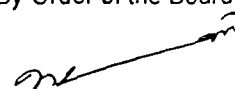
Notice is hereby given that the 21<sup>st</sup> Annual General Meeting of the Members of M/s N. R. International Limited will be held on Saturday, September 29, 2012 at 10.00 a.m. at the Merchants Chamber of Commerce, 15-B, Hemanta Basu Sarani, Kolkata - 700 001 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2012 and the Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint Director in the place of Mr. 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 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



NIRMAL MODI  
CHAIRMAN

Place: Cuttack  
Date: 09<sup>th</sup> July, 2012

### 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 24.09.2012 to 29.09.2012 (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.

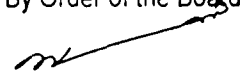
## *N. R. INTERNATIONAL LIMITED*

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.
9. Members are requested to send their queries, if any on the accounts or operations of the company, to reach the Compliance Officer at the Company's Registered Office, at least 7 (seven) working days prior to the meeting, so that the information can be complied in advance.
10. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
11. ABS CONSULTANTS Pvt. Ltd. is the Registrar and Share Transfer Agent of the Company. All investor related communication may be addressed to "Nice" at the following address:

ABS CONSULTANT PRIVATE LIMITED .  
ROOM NO - 99 , 6<sup>TH</sup> FLOOR  
STEPHEN HOUSE , 4 B.B.D. BAG ( East )  
Kolkata - 700001  
Phone No. : 033 22201043  
Email : absconsultant@vsnl.net
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:

3<sup>RD</sup> FLOOR , DRUPADI MAINSON ,  
11 BRABOURNE ROAD  
Kolkata - 700001
13. Brief resume of Director proposed to be re-appointed, nature of his expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchanges are annexed herewith.

By Order of the Board

  
NIRMAL MODI  
CHAIRMAN

Place: Cuttack  
Date: 09<sup>th</sup> July , 2012

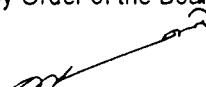
## *N. R. INTERNATIONAL LIMITED*

Details as stipulated under clause 49(G) of listing agreement , in respect of the Directors seeking re - appointment is furnished below :

Mr . V.K. SRIVASTAVA , aged about 56 years joined the Board on 03.08.2011 as a Director . He is a graduate in commerce. He has more than 30 years of experience . He holds NIL No of equity shares in the Company . Besides this company he is also a Director cum member of the following committees :

DIRECTORSHIP IN OTHER COMPANIES : NIL

By Order of the Board



NIRMAL MODI  
CHAIRMAN

Place: Cuttack

Date: 09<sup>th</sup> July , 2012

# N. R. INTERNATIONAL LIMITED

N.R. HOUSE, PLOT NO. 1050, OPP. OF BOMBAY HOTEL, COLLEGE SQUARE, CUTTACK-753003, ORISSA  
TEL. +91-671-2548187, 2548202, FAX : +91-671-2549202, E-mail : ctk\_nrtrad1@sancharnet.in; nril@satyam.net.in, cuttack@nrilglobal.com

## Chairman's Message

Dear Shareholders,

It gives me immense pleasure in welcoming you to the 21<sup>st</sup> Annual General Meeting of your Company. The Director's Report and Audited Accounts for the year ended 31<sup>st</sup> March, 2012 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 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 also suffered the limitation of the economic scenario and it had started incurring cash losses. Hence to save the net worth being eroded further, the company has temporarily suspended it's operations in steel and coke manufacturing units. With this the loss incurred by the company during this year has been significantly reduced. The company has also restricted it's losses to depreciation and other non cash expenditure only and has not incurred any cash loss during the year.

For the reasons explained above, the company is now concentrating more on the business of Transportation and Handling which has been once the core business of the company. Though the turnover in steel, coal & coke sector is nil the revenue of the company from the business of Transportation and Handling has increased from Rs. 20.96 Crores to Rs. 30.94 Crores. The loss before tax is only Rs. 0.08 crores which is much lower than the previous year's figure of 1.30 crore. The company has a carried forward profit of Rs. 1.01 crore after adjustment for deffered and other taxations. Due to continued loss incurred by the company in current and previous years, your Board of Directors could not recommend for any dividend even for the current financial year ended as on 31.03.2012. In spite of

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adverse market condition, your Company did well by minimizing the loss before tax and also by earning cash profits as compared to the previous year 2010-11.

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

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

**DIRECTOR'S REPORT**

To  
The Members of  
**N. R. INTERNATIONAL LIMITED**

Your Directors have pleasure in presenting their 21st Annual Report together with the audited accounts of the Company for the year ended March 31, 2012.

**FINANCIAL RESULTS**

The performance of the Company for the financial year ended 31<sup>st</sup> March 2012 is summarized below:

	As at 31.03.2012 (Rs.)	As at 31.03.2011 (Rs.)
Working for the year yielded a Profit before depreciation, Interest, and tax	60,668,464	42,406,822
Less : Interest & Finance Charges	54,885,334	4,46,59,416
Profit before Depreciation and Tax	5,783,130	(22,52,594)
Less Depreciation	6,586,154	10,675,350
Profit before Tax	(8,03,024)	(12,927,944)
Less : Provision for taxation Deferred Tax Income Tax for earlier years	(11,448,370)	12,454,574
Profit after tax	5,23,698	5,27,625
	10,121,649	(25,910,143)
Add : Surplus/ (Loss ) brought forwards previous year	(21,676,384)	4,233,759
Surplus / ( Loss ) carried to Balance Sheet	<u>(11,554,737)</u>	<u>(21,676,384)</u>

**DIVIDEND**

Viewed from the curtailed revenue and consequent losses , in order to continue conserving the presently existing resources for operational requirements your Directors do not recommend any dividend for the year under review and are confident of receiving your whole hearted support for this proposal .

**REVIEW OF OPERATION**

During the year under review several steel plants were forced to shut down due to very low demand and increase in cost of production which continued from 2009-2010 and onwards . Several steel plants are already up for sale . There was so sign of improvement to arrest the said fall in demand . Accordingly the manufacturing operations in the Companies plant was shutdown on and from 14.08.2010 due to low demand and lack of competitive price for companies product . The Company carried on sale of services during the year to meet its



**administrative cost** . The State Electricity Board has also been requested for disconnection of power supply to the factory. Unless the situation improves immediately the Company will not carry out any production . There was no production during the first quarter of the current year also . Because of mounting losses the Company could not service its debts to banks in time resulting in Banks initiating recovery proceedings against the company. However, the Company is still negotiating with the Bankers seeking time because of gloomy conditions prevailing in the Industry as a whole . Your Directors are still hopeful that the situation will turnaround in the near future .

#### **FINANCE :**

Your Company is passing through a difficult period to solve various finance related issues . The Claims lodged by the company in earlier years on account of quality difference amounting to Rs 2.40 Crores was totally disallowed by the parties which has been written off in the accounts . Further certain Investments made by the Company amounting to Rs 1.29 Crores have turned out to be bad and had to be written of in the accounts . Further your Company has taken stringent measures to curtail various expenses till the situation improves .

#### **FUTURE OUTLOOK**

As reported earlier the Company had previously planned to set - Up One 0.9 MTPA capacity of Coal Beneficiation Plant at Bainchua , Tangi , Cuttack to contribute to the profit of the Company . However at present the implementation of the same has been deferred till the present operations are revived .

#### **EXPANSION AND MODERNISATION**

Your Company has at present no plans for Expansion and Modernization . It is mainly concentrating on the operation of the existing plant . No major capital expenditure is planned in the immediate following years .

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :**

Your Company remains committed to maintain , high standards of internal control designed to provide adequate assurance on the efficiency of operations and security of its assets . The adequacy and effectiveness of the internal control across various activities , as well as compliance with laid - down systems and policies are comprehensively and frequently monitored by your companies management at all levels of organization . The Audit Committee , which meets at least four times a year , actively reviews internal control systems as well as financial disclosures .

#### **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.

**PARTICULARS OF EMPLOYEES**

Your Directors place on record the sense of appreciation for the valuable contribution made by the staff members of the Company and hope that their continued support will help in achieving the goals of the Company. In accordance with the requirement of Section 217(2A) of the Companies Act, 1956, and read together with Companies (Particulars of Employees) Amendment Rules 2011 it is stated that no employee of the Company is in receipt of remuneration aggregating to Rs.60,00,000/- or more for the year and Rs.5,00,000/- or more per month for the part of the year.

**DIRECTORS**

Mr. V.K. SRIVASTAVA, Director, retire by rotation at the ensuing Annual General Meeting and being eligible offer him self for re-appointment.

**AUDITORS**

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

**AUDITORS' REMARKS**

The qualification made by the auditors' in their report ;

1. The Company has taken steps to deposit the amount of TDS of Rs 920 / and Professional Tax of Rs 14,777/ with interest .
2. The Company has applied to the Bankers for reconsideration because of sickness in similar size of Industry due to declination in demand .
3. Corporate Guarantee had to be executed as the Company had substantial stake in the said Company .

**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.