

N.B.I. INDUSTRIAL FINANCE COMPANY LIMITED

DIRECTORS' REPORT

TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the Seventy-Sixth Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2011.

FINANCIAL RESULTS :

	Year ended 31.03.2011 Rs.	Year ended 31.03.2010 Rs.
Profit before Depreciation & Provision	14,180,577	9,278,582
Less : Depreciation	14,308	20,690
: Provision for Contingencies against Standard Assets. (As per RBI Guidelines)	43,212	-
Profit before Taxation	14,123,057	9,257,892
Less : Provision for Deferred Tax	5,793	(49,499)
Profit after Tax	14,117,264	9,307,391
Add : Income Tax Adjustment for Earlier Years	(1,633)	(1,048)
: Balance of Profit from Previous year	32,367,643	54,923,300
	46,483,274	64,229,643
APPROPRIATIONS :		
Transfer to Reserve Fund. (as per RBI Guidelines)	2,823,500	1,862,000
Transfer to General Reserve	-	30,000,000
Balance Carried to Balance Sheet	43,659,774	32,367,643
	46,483,274	64,229,643

DIVIDEND :

To further strengthen the financial position of the Company and to conserve resources your Directors have decided not to recommend dividend for the year ended 31st March, 2011.

PUBLIC DEPOSITS :

The Company has not accepted any deposit from the public during the year.

DIRECTORS :

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Shri Ashok Bhandari and Shri B.L. Gaggar, Directors of the Company retire by rotation and being eligible offer themselves for reappointment.

AUDITORS :

M/s. Lakhota & Co., Chartered Accountants, the Statutory Auditors will retire at the conclusion of the forthcoming Annual General Meeting. They being eligible offer themselves for re-appointment.

PARTICULARS OF REMUNERATION :

None of the employees is drawing remuneration attracting the provisions of Section 217(2A) of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO :

Since the Company has no manufacturing activity, the requirements of Section 217(1) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable.

There were no foreign exchange earnings and outgo during the year.

AUDITORS' REPORT :

The observation made by the Auditors in Para 2 (f) of their Report has been suitably dealt with in Note No. 1 of the Notes on Accounts.

DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to sub section 2AA of Section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that :

- i) in preparation of the Annual Accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any,
- ii) the Directors have 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) the Directors have 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 for preventing and detecting fraud and other irregularities;
- iv) the Directors have prepared the Annual Accounts for the period ended 31st March, 2011 on a going concern basis.

OTHER PARTICULARS :

Copy of Compliance certificate from a Secretary (in-Whole-time-Practice) is attached.

ACKNOWLEDGEMENTS :

The Directors place on record their appreciation for the support the Company continues to receive from its Bankers and Shareholders and acknowledge the valuable contribution from the employees of the Company.

For and on behalf of the Board

Place : Kolkata
Dated : 30th June, 2011

(B.G. BANGUR)
Chairman

N.B.I. INDUSTRIAL FINANCE COMPANY LIMITED

NOTICE

NOTICE is hereby given that the Seventy Sixth Annual General Meeting of N.B.I. Industrial Finance Company Limited will be held at Aparna Business Centre, 5, Clive House, Strand Road, Kolkata – 700 001 on Saturday, the 10th September, 2011 at 11.00 A.M. to transact the following business :

ORDINARY BUSINESS

- 1) To receive, consider and adopt Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the year ended on that date and the Directors' Report and Auditors' Report thereon.
- 2) To appoint a Director in place of Shri Ashok Bhandari, who retires by rotation and, being eligible, offers himself for re-appointment.
- 3) To appoint a Director in place of Shri B.L. Gaggar, who retires by rotation and, being eligible, offers himself for re-appointment.
- 4) To appoint Auditors of the Company for the ensuing year and to fix their remuneration.

By Order of the Board

Place : 21, Strand Road,
Kolkata – 700 001
Dated : 30th June, 2011

(B.L. GAGGAR)
Director

NOTES :

- 1 **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A MEMBER ENABLE TO ATTEND THE MEETING MAY SEND THE ENCLOSED PROXY FORM DULY COMPLETED SO AS TO REACH THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE MEETING.**
- 2 The Register of members and the Share Transfer Books of the Company will remain closed from 3rd September, 2011 to 10th September, 2011 (both days inclusive).
- 3 Members attending the Meeting are requested to bring their copy of the Annual Report.
- 4 The Company has made arrangements with National Securities Depository Limited and Central Depository Services Limited to offer facility of dematerialization of securities to its share-holders. The ISIN code allotted by the depositories to the Company is ISIN – **INE365I01012**. The shareholders are again advised to avail the facility of dematerialization of their holding of shares through their depository participants.
Members who are holding shares more than One folio under physical form may approach the Company's Share Transfer Agent for Consolidation with respective details.