

N.B.I. INDUSTRIAL FINANCE COMPANY LIMITED

DIRECTORS' REPORT

TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the Seventy-Seventh Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2012.

FINANCIAL RESULTS :

	Year ended 31.03.2012 Rs.	Year ended 31.03.2011 Rs.
Profit before Depreciation & Provision	13,971,564	14,180,577
Less : Depreciation	11,699	14,308
: Provision for Contingencies against Standard Assets. (As per RBI Guidelines)	23,177	43,212
Profit before Taxation	13,936,688	14,123,057
Less : Provision for Current Tax	320,000	-
: Provision for Deferred Tax	(35,455)	5,793
Profit after Tax	13,652,143	14,117,264
Add : Income Tax Adjustment for Earlier Years	-	(1,633)
: Balance of Profit from Previous year	43,659,774	32,367,643
	57,311,917	46,483,274
APPROPRIATIONS :		
Transfer to Reserve Fund. (as per RBI Guidelines)	2,730,500	2,823,500
Balance Carried to Balance Sheet	54,581,417	43,659,774
	57,311,917	46,483,274

Total income during the year under review amounted to Rs.178.44 Lac as against Rs. 178.62 Lac in the preceding year. The Company continues to remain registered as a Non-Banking Financial Company with the Reserve Bank of India.

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, 2012.

AUDITORS' REPORT :

The observation made by the Auditors in Para 2 (f) of their Report has been suitably dealt with in Note No. 23 of the Notes to the Financial Statements.

PUBLIC DEPOSITS :

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

DIRECTORS :

Shri B.G. Bangur, resigned from the Board with effect from 14th January, 2012. The Board places on record its deep appreciation for the valuable guidance and services rendered by him during his tenure as Director of the Company.

Shri J.P. Mundra was appointed a Director on the Board with effect from 14th January, 2012. He holds office of the Director upto the date of the ensuing Annual General Meeting and is eligible for re-appointment.

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association, Shri R.N. Mundhra, a Director of the Company retires by rotation and being eligible offers himself 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.

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 :
in preparation of the Annual Accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any,

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 ;

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;

the Directors have prepared the Annual Accounts for the year ended 31st March, 2012 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, 2012

(B.L. GAGGAR) (ASHOK BHANDARI)
Directors

N.B.I. INDUSTRIAL FINANCE COMPANY LIMITED

NOTICE

NOTICE is hereby given that the Seventy Seventh 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 22nd September, 2012 at 11.00 A.M. to transact the following business :

ORDINARY BUSINESS

- 1) To receive, consider and adopt Balance Sheet as at 31st March, 2012 and Statement of Profit and Loss for the year ended on that date and the Directors' Report and Auditors' Report thereon.
- 2) To appoint a Director in place of Shri R.N. Mundhra, who retires by rotation and, being eligible, offers himself for re-appointment.
- 3) To appoint Auditors of the Company for the ensuing year and to fix their remuneration.

SPECIAL BUSINESS :

- 4) To consider and, if thought fit to pass with or without modification the following Resolution as an Ordinary Resolution:

“RESOLVED that Shri J.P. Mundra who was appointed as a Director on the Board U/s 260 of the Companies Act, 1956 and who holds office upto this Annual General Meeting, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

By Order of the Board

Place : 21, Strand Road,
Kolkata – 700 001

Dated : 30th June, 2012

(ASHOK BHANDARI)
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 14th September, 2012 to 22nd September, 2012 (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 shareholders. 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.

- 5 Members holding shares in more than one folio under physical form are advised to approach the Company's Share Transfer Agent for consolidation with respective details.
- 6 The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item under special business is annexed hereto and forms part of Notice.

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item of Special Business mentioned in the Notice.

Item No.4

Shri J.P. Mundra was appointed a Director on the Board on 14th January, 2012. As per the provisions of the Companies Act, 1956 he holds office of the Director upto the date of the ensuing Annual General Meeting.

The Company has received Notice from a member pursuant to section 257 of the Companies Act, 1956 signifying his intention to propose Shri J.P. Mundra for the office of Director. In view of the experience of the Director in Corporate Management and Finance his appointment is considered to be of benefit to the Company and the members may approve his appointment.

None of the Directors except Shri J.P. Mundra is interested or concerned in the said Resolution.