

Dear Sir,

Nicco Corporation Ltd.
Stock Code : Nicco ISIN No. INE 241C01026

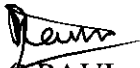
Clause 31 of the Listing Agreement

Submission of Annual Report for Financial Year 2009/10

01. This refers to our letter dated 26th August, 2010, vide which we have sent 6 copies of Annual Reports and Accounts for the Financial Year 2009-10.
02. This also refers to your letter Ref : NSE/LIST/145329-Y dated 25th August, 2010, in respect of the above matter, a copy where of is enclosed for your ready reference. We are sending herewith a soft copy (.pdf) of our Company's Annual Report for the Financial Year, 2009/10, through email at annualreports@nse.co.in.

Thanking you,

Yours faithfully,
NICCO CORPORATION LTD.


J S PAUL
SR VICE PRESIDENT
& CO SECRETARY

Mobile Ph No. : +91 98312 57 417
Phone No : + 91 33 6628 5209 / 2248 2881
Fax No. : +91 33 2230 9443 / 2248 6414
email id : jspaul@niccogroup.com

Encl : As above

REGD OFFICE : NICCO HOUSE, 2 HARE STREET, KOLKATA-700 001 ● FAX : (91) 33 2230 9443 ● TEL : 6628 5000/5250 (5 LINES)
PLANTS AT ● SHAMNAGAR, E.RLY., WEST BENGAL ● KALYANI, INDUSTRIAL GROWTH CENTRE, NADIA ● BARIPADA, DIST. : MAYURBHANJ. (ORISSA)



**NATIONAL STOCK EXCHANGE
OF INDIA LIMITED**

NIFTY 50
Stock of the nation

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01/09/10 2.30 pm
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Ref No: NSE/LIST/145329-Y

August 25, 2010

The Company Secretary
Nicco Corporation Limited
Nicco House, 2 Hare Street,
Kolkata - 700001

Dear Sir / Madam,

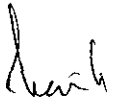
Sub: Submission of Annual Reports

This is further to our letter ref: NSE/LIST/138364-U dated May 24, 2010 regarding submission of Annual Report of the company in soft format for the financial year 2009-10 onwards to the Exchange in addition to hard copy of the Annual Report as per Clause 31 of the Equity Listing Agreement.

It is observed that you have not submitted the Annual Report of the company in the soft format to the Exchange.

In view of the above, you are requested to submit the Annual Report of the company for the financial year 2009-10 at the earliest in pdf format vide email at annualreports@nse.co.in. Alternatively, you may also send the soft copy of annual report in CD.

Yours faithfully,
For National Stock Exchange of India Limited


Hari K
Vice President

H.S

ANNUAL REPORT
2009-2010



NICCO CORPORATION LTD.



27th ANNUAL GENERAL MEETING

Date : 28th September, 2010

Day : Tuesday

Time : 3.00 p.m.

Place : "Williamson Magor Hall" of
The Bengal Chamber of
Commerce & Industry
6, Netaji Subhas Road,
Kolkata 700 001

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr Rajive Kaul
 Mr Udayan Roy
 Mr Narottam Das
 Mr Prabir Chakravarti
 Dr Lakshminaryanapuram Ramier Vaidyanath*
 Mr Dharendra Nath Bhattacharjee
 Mr Umesh Kumar
 Mr Sujit Poddar
 Mr Sanjoy Bhattacharya
 Ms Pallavi Priyadarshini Kaul
 Mr Shiv Siddhant Narayan Kaul
 Dr Tridibesh Mukherjee

* From 18th July, 2001 to 26th July, 2010

Executive Chairman
 Managing Director

SR VICE PRESIDENT & CO. SECRETARY

Mr J S Paul

AUDITORS

Messrs G Basu & Co.,
 Chartered Accountants, Kolkata

BOARD COMMITTEES

Audit Committee

Mr N Das	Chairman
Mr Prabir Chakravarti	Member
Mr Sujit Poddar	Member
Mr D N Bhattacharjee	Member
Mr J S Paul	Secretary

SOLICITORS

Messrs Khaitan & Co., Kolkata

Compensation & Remuneration Committee

Mr N Das	Chairman
Dr L R Vaidyanath*	Member
Mr Prabir Chakravarti	Member
Mr Sujit Poddar	Member

* From 18th July, 2001 to 26th July, 2010

BANKERS

Allahabad Bank
 Canara Bank
 Central Bank of India
 State Bank of India
 State Bank of Bikaner & Jaipur
 State Bank of Travancore
 UCO Bank

Share Transfer Committee

Mr Rajive Kaul	Chairman
Mr Udayan Ray	Member
Mr Sanjoy Bhattacharya	Member
Ms Pallavi P. Kaul	Member
Mr S. S. N. Kaul	Member

REGISTERED OFFICE

Nicco House,
 2 Hare Street, Kolkata-700 001
 Phone No.: (033) 6628 5000
 Fax No. : (033) 2230 9443

Shareholders' / Investors' Grievance Committee

Mr N Das	Chairman
Mr D N Bhattacharjee	Member
Mr Udayan Ray	Member
Mr Sanjoy Bhattacharya	Member
Ms Pallavi P. Kaul	Member
Mr S. S. N. Kaul	Member

WORKS

1. Shamnagar, 24-Parganas (North), West Bengal
2. Baripada Dist. Mayurbhanj, Orissa



NAMES & ADDRESSES OF THE STOCK EXCHANGES WHERE THE SHARES OF THE COMPANY ARE LISTED AND WHETHER LISTING FEES PAID.

(Pursuant to Clause 49 of the Listing Agreement)

National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (E)
Mumbai-400 051
e-mail : cmllist@nse.co.in

The Company has already paid Annual Listing Fees for the year 2010-11 to the above mentioned Stock Exchange.

WEBSITE :

www.niccogroup.com

E-mail Id for Investors :

investorsservices@niccocorp.com

REGISTRARS & SHARE TRANSFER AGENTS

M/s R & D Infotech Pvt. Ltd.
Ground Floor,
22/4, Nakuleshwar Bhattacharya Lane
Kolkata-700 026
Phone No : (033) 2463-1657/8
E-mail Id : rdinfotec@yahoo.com
rd.infotech@vsnl.net

Notice of the Annual General Meeting to the Members

NOTICE is hereby given that the 27th Annual General Meeting of the Members of Nicco Corporation Limited will be held on Tuesday, the 28th September, 2010 at 3.00 p.m. at the "Williamson Magor Hall" of The Bengal Chamber of Commerce & Industry, 6 Netaji Subhas Road, Kolkata 700 001, to transact the following business :

ORDINARY BUSINESS :

1. To consider and adopt the Audited Profit & Loss Account of the Company for the year ended on 31st March, 2010, the Balance Sheet as on that date and the Directors' Report and the Auditors' Report thereon.
2. To appoint a Director in place of Mr Narottam Das who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr Udayan Ray who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Ms Pallavi P Kaul who retires by rotation and being eligible, offers herself for re-appointment.
5. To appoint Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS :

6. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an ORDINARY RESOLUTION :

"RESOLVED that Mr Sanjoy Bhattacharya, who was appointed by the Board of Directors as a Non-Executive Additional Director of the Company w.e.f. 1st October, 2009, and who holds office upto the date of the forthcoming Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956, and in respect of whom the Company has received a Notice in writing from a Member u/s 257 of the Companies Act, 1956, proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company, liable to retire by rotation."

7. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a SPECIAL RESOLUTION :

"RESOLVED that in accordance with the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, the Regulations for Preferential Issues contained in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("SEBI ICDR Regulations"), the provisions of the Listing Agreement entered into by the Company with the Stock Exchange where the Equity Shares of the Company are listed, and in accordance with the Corporate Debt Restructuring (CDR) Package as approved by the CDR Cell set up by the Reserve Bank of India, the consent of the Company be and is hereby accorded to the Board to issue and allot, by way of Preferential Allotment, up to an aggregate amount of Rs 1.60 crores of 30,24,574 Equity Shares of Nominal Value of Rs 2/- each of the Company on preferential basis to Nicco Restructuring Employees' Trust Fund @ not less than Rs 5.29 per share, (comprising par value of Rs 2/- per share and a premium of Rs 3.29 per share), (hereinafter referred to as the "New Equity Shares") towards Equity contribution from the Employees of Nicco Corporation Ltd. @ 10% of their salary upto a maximum of Rs 1.60 crores, in such manner, and on such terms and conditions as may be determined by the Board in its absolute discretion in accordance with the applicable SEBI ICDR Regulations.

"RESOLVED FURTHER that

- (a) The Relevant Date for the determination of the applicable price for the New Equity Shares shall be in accordance with the SEBI ICDR Regulations.
 - (b) The New Equity Shares shall rank pari passu with the existing Equity Shares of the Company in all respects.
 - (c) In order to give effect to this resolution, the Board or any Committee which the Board might appoint, be and is hereby authorised, on behalf of the Company, to take all actions and to do all such acts, deeds, matters and things as the Board/Committee may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental and to settle any question and to remove any difficulty or doubt that may arise from time to time in relation to the offer, Preferential Issue and Allotment of the New Equity Shares, including (without limitation) to decide and approve the terms and conditions of the issue of the New Equity Shares, to vary, modify or alter any of the terms and conditions, including the Relevant Date, Issue Price and the size of the issue or allotment, utilisation of the Issue Proceeds etc, as it may deem expedient, subject to the provisions of the Companies Act, 1956, the rules/regulations/guidelines issued by the Government of India/RBI/SEBI, without being required to seek any further consent or approval of the Members of the Company in General Meeting or otherwise to the end and intent that Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.
 - (d) The offer, the issue and allotment of the aforesaid Shares shall be made at such time or times as the Board may in its absolute discretion decide.
 - (e) The Board be and is hereby authorised to delegate all or any of the powers herein conferred, by the resolution, to any Committee of Directors or any one or more Directors or to the Company Secretary, to give effect to this Resolution."
8. To consider and, if thought fit, to pass, with or without modification/ s, the following resolution as a SPECIAL RESOLUTION :

"RESOLVED THAT in partial modification of the Special Resolution passed at the Annual General Meeting of the Company held on 16th September, 2009, in accordance with the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, which was proposed under item No. 9 of the Notice dated 17th August, 2009 convening the aforesaid Annual General Meeting (hereinafter referred to as the "said Resolution"), approval of the Company be and is hereby accorded to modification to the said Resolution, in the following manner, that is to say :-

- (a) the words "the Guidelines for Preferential Issues contained in the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 (the SEBI-Preferential Issues Guidelines)" as appearing in line 3 of paragraph 1 of the said Resolution be substituted with the words "the Regulations for Preferential Issues contained in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("SEBI ICDR Regulations").
- (b) the words "SEBI Preferential Issues Guidelines" as appearing in paragraph 1, line 11 of the said Resolution be substituted with the words "SEBI ICDR Regulations".
- (c) In the second paragraph of the said Resolution, the figures in the last Column No. 5 be changed as follows due to rounding off of fractional amounts :-

Sl No	Name & Father's Name of proposed Allottee/s in full	Amount as per Resolution in AGM Notice dated 17th August, 2009 (Rs/-)	Changed Amount (Rs/-)
1.	Kalpena Industries Ltd.	50,00,000/-	50,00,004/-
2.	Vinicab (India) Private Ltd.	30,00,000/-	30,00,000/-
3.	Ashu Tradecom Pvt. Ltd.	1,50,00,000/-	1,49,99,998/-
4.	Gem Polytech Industries Pvt. Ltd.	20,00,000/-	19,99,999/-
5.	Everlite Transport Agency Pvt. Ltd.	7,00,000/-	7,00,000/-
6.	East West Transport Pvt. Ltd.	3,00,000/-	3,00,003/-
7.	Bal Krishna Saggi S/o Late Kharaiti Ram Saggi	12,50,000/-	12,49,998/-
8.	Gulshan Vohra S/o Late Ishar Dass Vohra	12,50,000/-	12,49,998/-
	Total	2,85,00,000/-	2,85,00,000/-



- (d) the words "SEBI (Disclosure & Investor Protection) Guidelines, 2000" as appearing in line 1 of clause (a) of the third paragraph of the said Resolution be substituted with the words "SEBI ICDR Regulations".
- (e) the words "is being" as appearing in line 3 of clause (a) of the third paragraph of the said Resolution, be substituted with the words "was".

Registered Office:
NICCO HOUSE
2 Hare Street
Kolkata 700 001

By Order of the Board
NICCO CORPORATION LIMITED

J S PAUL
Sr Vice President & Co Secretary

Dated, the 31st July, 2010

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 the Proxy need not be a member of the Company.
2. Proxies in order to be effective must be received by the Company, not less than 48 hours before the commencement of the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 18th September, 2010 to Tuesday, the 28th September, 2010, (both days inclusive).
4. Members are requested to produce the enclosed Attendance Slip, duly signed as per the specimen signature recorded with the Company/Depository Participant for admission to the Meeting Hall.
5. Members, who hold shares in the de-materialised form are requested to bring their Client ID and DP ID Numbers for easier identification of attendance at the meeting.
6. A Member desirous of getting any information on the Accounts or operations of the Company, is requested to forward his/her queries to the Company at least seven working days prior to the Meeting, so that the required information can be made available at the Meeting.
7. Members holding shares in physical form are requested to notify immediately any change in their address and Bank particulars to the Company or its Registrar & Share Transfer Agent and in case their shares are held in dematerialised form, this information should be passed on directly to their respective Depository Participants and not to the Company/Registrar & STA, without any delay.
8. In all correspondence with the Company, Members are requested to quote their account/folio numbers and in case their shares are held in the dematerialised form, they are requested to quote their DP ID and Client ID Numbers.
9. Members holding shares in physical form can now avail the facility of nomination in respect of shares held by them pursuant to the amendment in the Companies Act, 1956. Members desiring to avail this facility may send their Nomination Form duly filled in, to the Company or its Registrar & Share Transfer Agent by quoting their respective Folio Numbers.
10. Information u/s 205A read with the Companies' Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 as amended is given below :
 - (i) Pursuant to section 205 of the Companies Act, 1956, all unclaimed/unpaid dividends upto the Financial Year ended on 31st March, 1994 have been transferred to the General Revenue Account of the Central Government. Shareholders, who have not yet encashed their dividend warrants for the said period are requested to forward their claims in Form No. II prescribed under the companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 to the office of the Registrar of Companies, West Bengal, 234/4, A J C Bose Road, Kolkata 700 020.
 - (ii) Consequent upon amendment in section 205A of the Companies Act, 1956 and introduction of section 205C by the Companies (Amendment) Act, 1999, the amount of dividend for the subsequent years remaining unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India. In compliance with the said provisions of the Act, all Unclaimed Dividends pertaining to the Financial Year ended on and from 31st March, 1995 to 31st December, 1998 have already been transferred to IEPF and no payments shall be made in respect of any such claims by the Fund.
11. An Explanatory Statement as required under section 173(2) of the Companies Act, 1956 in relation to the Special Business of the Meeting is annexed hereto and forms part of this Notice.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 6 — Appointment of Mr Sanjoy Bhattacharya as a Director

The Board of Directors of the Company, on 1st October, 2009, appointed Mr Sanjoy Bhattacharya as a Non-Executive, Additional Director of the Company under section 260 of the Companies Act, 1956 and Article 124 of the Articles of Association of the Company. Mr Sanjoy Bhattacharya holds office up to the date of the forthcoming Annual General Meeting of the Company. The Company has received a separate Notice under section 257 of the Companies Act, 1956, along with the requisite Deposit, from a Member of the Company, signifying his intention to propose the appointment of Mr Sanjoy Bhattacharya as a Director of the Company at the forthcoming Annual General Meeting.

Mr Sanjoy Bhattacharya is a qualified Engineer holding a B Tech (Hons) Degree. He is about 64 years of age with more than 42 years of wide experience in Production, Sales and Marketing in Cable Industry. He has been associated with the Company since 28th November, 1995 up to the close of 30th September, 2009 as, inter alia, Executive Director and thereafter as Director (Cable Operations). Keeping in view the qualifications, experience and expertise of Mr Bhattacharya, your Directors appointed him as an Additional Director w.e.f. 1st October, 2009, subject to the approval of the members of the Company.

The details of Mr Sanjoy Bhattacharya's age, qualifications, expertise and other Directorships and Committee Memberships of other Boards and Committees which are required to be disclosed pursuant to Clause 49 IV(G) of the Listing Agreement have been given in Annexure 'A' attached to the Notice convening the Annual General Meeting.

The Board considers that the Company will benefit from the appointment of Mr Sanjoy Bhattacharya as a Director and recommends that this Ordinary Resolution as set out in item No. 6 of the attached Notice, be adopted by the Members.

Excepting Mr Sanjoy Bhattacharya, who is interested in his appointment, none of the Directors of the Company is in any way concerned or interested in the said resolution.

ITEM NO. 7 — Preferential Allotment of Equity Shares to Nicco Restructuring Employees' Trust Fund (NRETF) up to an aggregate amount of Rs. 1.60 Crores

As a part of the Corporate Debt Restructuring of the Company and the CDR package as approved by the CDR Cell set up by the Reserve Bank of India vide its Sanction Letter No. BY.CDR(ABP) No. 1192/2008-09 dated 23rd March, 2009, the Company envisaged Equity Contribution from the Employees of Nicco Corporation Limited @ 10% of salary upto a maximum aggregate amount of Rs. 5.00 crores to be infused.

It is now proposed to issue up to an aggregate amount of Rs. 1.60 crores, 30,24,574 Equity Shares of Rs. 2/- each @ not less than Rs. 5.29 per Equity Share (comprising par value of Rs. 2/- per share and a premium of Rs. 3.29 per share) to Nicco Restructuring Employees' Trust Fund, in accordance with the CDR Scheme. The present Issue would be utilised to augment Long Term Financial Resources of the Company. The Employees have already contributed towards Share Subscriptions, up to an aggregate amount of Rs. 1.60 crores (Rupees one crore sixty lacs only).

The proposed Preferential Allotment of New Equity Shares to Nicco Restructuring Employees' Trust Fund would be strictly in accordance with Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations").

The Relevant Date for the determination of the applicable price for the New Equity Shares shall be in accordance with the SEBI ICDR Regulations.

Disclosures required pursuant to Chapter VII of the SEBI ICDR Regulations :

(a) Object(s) of the issue through Preferential Offer

To augment the long term fiscal resources of the Company in accordance with Corporate Debt Restructuring (CDR) package as approved by the CDR Cell.

(b) Proposal of the Promoters, Directors and Key Management Personnel to subscribe to the offer

The offer is to be made to Nicco Restructuring Employees' Trust Fund (NRETF) and none of the Promoters, Directors and key Management Personnel will subscribe to the offer and acquire further shares in the Company on a preferential basis, pursuant to the resolution.

(c) Shareholding Pattern of the Company before and after the Preferential Issue :-

Category	Pre-Issue Equity holding (No. of Shares)	Percentage	Post-Issue Equity holding (No. of Shares)	Percentage
A. Shareholding of Promoter and Promoter Group (A)				
— Others	2,07,40,605	21.98	2,07,40,605	21.30
— NRETF	37,88,841	4.02	68,13,415	7.00
Sub-Total	2,45,29,446	26.00	2,75,54,020	28.30
B. Public Shareholding (B)				
(1) Institutions				
(a) Mutual Funds / UTI	12,411	0.01	12,411	0.01
(b) Financial Institutions / Banks	15,25,030	1.62	15,25,030	1.57
(c) Central Govt / State Govt (s)	0	0	0	0
(d) Insurance Companies	11,60,674	1.23	11,60,674	1.19
(e) FIs	11,761	0.01	11,761	0.01
Sub-Total (B1)	27,09,876	2.87	27,09,876	2.78
(2) Non-Institutions				
(a) Bodies Corporate	3,99,98,103	42.39	3,99,98,103	41.07
(b) Individuals				
(i) Individual Shareholders holding Nominal Share Capital up to Rs 1 lakh	2,08,54,837	22.10	2,08,54,837	21.43
(ii) Individual Shareholders holding Nominal Share Capital in excess of Rs 1 lakh	39,86,415	4.23	39,86,415	4.09
(c) NRIs	4,46,477	0.47	4,46,477	0.45
(d) OCBs	18,30,000	1.94	18,30,000	1.88
Sub-Total (B2)	6,71,15,832	71.13	6,71,15,832	68.92
Total Public Shareholding [B = B1+B2]	6,98,25,708	74.00	6,98,25,708	71.70
Grand total (A + B)	9,43,55,154	100.00	9,73,79,728	100.00

(d) The time within which the Preferential Issue shall be completed :

The allotment of Equity Shares would be completed within the time prescribed under the SEBI ICDR Regulations.

(e) The identity of the proposed allottee, the percentages of the pre and post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the Preferential Issue :

Category	Pre-Issue Equity holding (No. of Shares)	Percentage	Post-Issue Equity holding (No. of Shares)	Percentage
Nicco Restructuring Employees' Trust Fund (NRETF)	37,88,841	4.02	68,13,415	7.00

* This includes the existing shareholding of NRETF, as well.

There is no change in control in the issuer consequent to the Preferential Issue.

(f) The Company undertakes that it shall comply with clause (f) of Regulation 73(1) of SEBI ICDR Regulations, where it is required to do so viz. (f) the Company shall re-compute the price of the specified securities in terms of the provisions of ICDR Regulations where it is required to do so.

(g) The Company undertakes that it shall comply with the Provisions of clause (g) of Regulation 73(1) of SEBI ICDR Regulations, where it is required to do so viz. (g) the Company undertakes that if the amount payable on account of re-computation of price is not paid within the time stipulated in ICDR Regulations, the specified Securities shall continue to be locked-in until such amount is paid by the allottees.

(h) The Statutory Auditors of the Company, M/s G Basu & Co. have certified that the issue of New Equity Shares is being made in accordance with the requirements of SEBI ICDR Regulations. The Auditors' Certificate as required under Regulation 73(2) of SEBI ICDR Regulations will be available for inspection at the Registered Office of the



Company during 4.00 p.m. and 5.00 p.m. on any working day up to 27th September, 2010. The Auditors' Certificate will also be displayed on the website of the Company—www.niccogroup.com.

In accordance with the SEBI Preferential Issue Regulations, the New Equity Shares to be allotted to Nicco Restructuring Employees' Trust Fund shall be subject to a lock in of one year from the date of their allotment by the Board/Committee of Directors.

The Equity Shares arising out of issue of New Equity Shares pursuant to the Resolution shall rank pari passu in all respects with the existing Equity Shares of the Company. Pursuant to the provisions of Section 81(1A) of the Companies Act, 1956, any offer or issue of shares in a company to persons other than the holders of the Equity Shares of a company or to such holders otherwise than in proportion to the Share Capital paid-up, requires prior approval of the Shareholders in General Meeting by a Special Resolution.

The Special Resolution set out in the Notice is intended for the purpose.

The Board of Directors believes that the proposed Preferential Issue is in the best interest of the Company and its Members.

The Special Resolution set out in the Notice may be considered accordingly and the Board of Directors recommends the same for your approval.

Mr Rajive Kaul, Mr Sanjoy Bhattacharya and Mr Udayan Ray, Directors of the Company, are interested in the resolution to the extent of their proportionate beneficial entitlement to the sale proceeds of the Equity Shares which shall be allotted. Furthermore, Mr Rajive Kaul, Mr Sanjoy Bhattacharya and Mr Udayan Ray are amongst the Trustees of Nicco Restructuring Employees' Trust Fund. Apart from the above Directors, none of the Directors is interested or concerned in the resolution.

ITEM NO. 8 — Allotment of Equity Shares to some of the Creditors

At the Annual General Meeting of the Company held on 16th September, 2009, the Members had approved the Special Resolution for allotment of Equity Shares to some of the Creditors of the Company, as specified in the Explanatory Statement annexed to the Notice of the said Annual General Meeting.

The erstwhile SEBI (Disclosure and Investor Protection) Guidelines, 2000 have since been rescinded and replaced with SEBI (Issue of Capital and Disclosure) Regulations, 2009 with effect from 26th August, 2009.

This has necessitated mentioning of appropriate change in the name of the applicable SEBI Regulations.

Further, there had been some inadvertent printing errors in the text of the previous Resolution as also in the Explanatory Statement attached hereto.

While the proposed modifications to the previous Resolution have been set out in the Resolution itself, the consequential changes in the Explanatory Statement which also need to be incorporated are enumerated as under :-

In the Explanatory Statement —

- (a) the words "Chapter XIII of the SEBI Preferential Issues Guidelines" as appearing in line 1 of paragraph 9, are required to be substituted with the words "Chapter VII of the SEBI ICDR Regulations"
- (b) the following figures in category number B.(2)(a) of item (c) of paragraph 10 on page 11 :-

Category	Pre-Issue Equity holding (No. of Shares)	Percentage	Post-Issue Equity holding (No. of Shares)	Percentage
(2) Non-Institutions				
(a) Bodies Corporate				
- Misc	3,62,11,269	39.92	3,62,11,269	33.46
- Arcil	35,25,304	3.89	1,54,25,304	14.26
- Creditors	—	—	42,48,366	3.92
- Creditors' Associates	—	—	6,53,592	0.60

are required to be substituted with the following figures :-

Category	Pre-Issue Equity holding (No. of Shares)	Percentage	Post-Issue Equity holding (No. of Shares)	Percentage
(2) Non-Institutions				
(a) Bodies Corporate				
- Misc	3,61,91,069	39.92	3,62,11,269	33.46
- Arcil	35,25,304	3.89	1,54,25,304	14.26
- Creditors	15,200	0.02	42,48,366	3.92
- Creditors' Associates	—	—	6,53,592	0.60

- (c) the following figures in item (e) of paragraph 12 on page 11 :-

Category	Pre-Issue Equity holding (No. of Shares)	Percentage	Post-Issue Equity holding (No. of Shares)	Percentage
Creditors—Bodies Corporate	—	—	42,48,366	3.92
Creditors—Individuals	—	—	4,08,496	0.38
Total	—	—	46,56,862	4.30

are required to be substituted with the following figures :-

Category	Pre-Issue Equity holding (No. of Shares)	Percentage	Post-Issue Equity holding (No. of Shares)	Percentage
Creditors—Bodies Corporate	15,200	0.02	42,63,566	3.94
Creditors—Individuals	—	—	4,08,496	0.38
Total	15,200	0.02	46,72,062	4.32



- (d) the words "SEBI DIP Guidelines" as appearing in line 2 of item (f) on page 12, are required to be substituted with the words "SEBI ICDR Regulations".
- (e) the words "paragraph 13.5 of SEBI DIP Guidelines" as appearing in line 2 of item (f) on page 12, are required to be substituted with the words "Regulation 73(2) of SEBI ICDR Regulations".
- (f) the words "item no. 9" as appearing in line 1 of paragraph 6 of item (f) on page 12, are required to be substituted with the words "item no. 8".

It is confirmed that the modifications are not of a material nature.

The resolution set out in Item No. 8, for the purpose of partial modification and ratification, may be considered accordingly, and the Board of Directors recommends the same for your approval.

The relevant extracts of the Resolution and its Explanatory Statement as contained in the Notice of the Annual General Meeting held on 16th September, 2009, are appended for the ready reference of the Shareholders.

None of the Directors of the Company is, in any way, concerned or interested in the resolution.

APPENDIX

Extract of the Original Special Resolution dated, 16th September, 2009

9. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a SPECIAL RESOLUTION :-

"RESOLVED that in accordance with the provisions of section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, the Guidelines for Preferential Issues contained in the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 (the SEBI Preferential Issues Guidelines), and subject to such other approvals, permissions, sanctions and consents of CDR/ARCIL/any other Authority that may be required, and subject to such terms and conditions, stipulations and modifications as CDR/ARCIL/any such Authority may prescribe or impose at the time of granting its approvals, permissions, sanctions and consents, and which may be considered necessary and agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any Committee thereof for the time being, exercising the powers conferred on the Board by the resolution), the consent of the Company be and is hereby accorded to the Board to issue and allot, by way of Preferential Allotment, up to 46,56,862 Equity Shares of nominal value of Rs 2/- each of the Company on preferential basis to some of the Creditors of the Company @ Rs 6.12 per share as per share prices with reference to the Relevant Date as per SEBI Preferential Issues Guidelines, (comprising par value of Rs 2/- per share and a Premium of Rs 4.12 per share) (hereinafter referred to as the "New Equity Shares"), for an aggregate value not exceeding Rs 2.85 crores to some of the Creditors, as detailed below, upon conversion of part of their outstanding dues of up to Rs 2.85 crores, due and payable by the Company to the said Creditors :-

Sl. No.	Name & Father's Name of proposed Allottee/s in full	Address and Occupation of the proposed Allottee/s	No. of Shares proposed to be allotted	Amount (Rs/-)
1	Kalpena Industries Ltd.	2B, Pretoria Street Kolkata 700 071 Occupation : Manufacturing	8,16,994	50,00,000/-
2	Vinicab (India) Private Ltd.	11, Esplanade East Kolkata 700 069 Occupation : Manufacturing	4,90,196	30,00,000/-
3	Ashu Tradecom Pvt Ltd.	6B, Bentinck Street, 1st Floor Kolkata 700 001 Occupation : Private Limited Company	24,50,980	1,50,00,000/-
4	Gem Polytech Industries Pvt. Ltd.	25A, Radha Madhab Dutta Garden Lane, Beliaghata Kolkata 700 010 Occupation : Manufacturing	3,26,797	20,00,000/-
5	Everite Transport Agency Pvt. Ltd.	67, Sambhunath Pandit Street, 2nd Floor, Kolkata 700 025 Occupation : Private Limited Company	1,14,379	7,00,000/-
6	East West Transport Pvt. Ltd.	67, Sambhunath Pandit Street, 2nd Floor, Kolkata 700 025 Occupation : Private Limited Company	49,020	3,00,000/-
7	Bal Krishna Saggi S/o Late Kharaiti Ram Saggi	C/o Alcon Wires & Cables Industries 27-A, Focal Point Rajpura 140 401 Punjab Occupation : Manufacturer	2,04,248	12,50,000/-
8	Gulshan Vohra S/o Late Ishar Dass Vohra	C/o Alcon Wires & Cables Industries 27-A, Focal Point Rajpura 140 401 Punjab	2,04,248	12,50,000/-
		Total	46,56,862	2,85,00,000/-

"RESOLVED FURTHER that

- (a) The Relevant Date for the purpose of calculating the issue price of the New Equity Shares under SEBI (Disclosure & Investor Protection) Guidelines, 2000 relating to the Preferential Issues shall be 17th August, 2009, being the date 30 days prior to the date on which the Meeting of the General Body of Shareholders is being held, to consider the proposed issue;
- (b) The New Equity Shares shall rank pari passu in all respects with the existing Equity Shares of the Company;

- (c) For the purpose of giving effect to the above resolution, the Board be and is hereby authorised to do all such things and acts as may be necessary and expedient and to settle any matter that may arise in connection therewith;
- (d) The Board be and is hereby authorised to delegate all or any of the powers herein conferred, by the resolution, to any Committee of Directors or any one or more Directors or the Company Secretary or other Officer/s of the Company, to give effect to this resolution;
- (e) In order to give effect to this resolution, the Board or any Committee which the Board might appoint, be and is hereby further authorised on behalf of the Company to do all such acts, deeds and things as the Committee/Board may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental and to settle any question and remove any difficulty or doubt that may arise from time to time in relation to the offer, Preferential Issue and Allotment of the New Equity Shares, including (without limitation) to decide and approve the terms and conditions of the issue of the New Equity Shares, to vary, modify or alter any of the terms and conditions (including the size of the issue or allotment), to enter into any agreements or to execute other instruments, to take such actions or give such directions as may be necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable, as they may deem fit."

Extract of the Original Explanatory Statement dated 16th September, 2009, referred to above

ITEM NO. 9 — Allotment of Equity Shares to some of the Creditors

With a view to strengthen the Equity Base of the Company as also to clear some of the old outstanding of the Creditors, the Company had approached some of the Creditors to restructure their dues by conversion of part of the outstanding amounts due to them aggregating to up to 2.85 crores into Equity Shares (hereinafter referred to as "the New Equity Shares") to be allotted as fully paid Equity Shares of Rs 2/- each, in favour of the Creditors, at a price to be determined in conformity with SEBI Guidelines in this regard. The Creditors had agreed to the proposal.

A copy each of the said letters will be available for inspection of the Members at the Annual General Meeting.

It is therefore proposed to issue Equity Shares on preferential basis to the Creditors subject to the following requirements :

The aforesaid issue and allotment of New Equity Shares will be governed by the SEBI Preferential Issues Guidelines. Under these Guidelines, the price at which the New Equity Shares are to be issued (which are issued on a preferential basis) shall be not less than the higher of : (a) the average of the weekly high and low of closing prices of the shares quoted on the Stock Exchange during the six months preceding the "Relevant Date" or (b) the average of the weekly high and low of the closing prices of the shares quoted on a Stock Exchange during the two weeks preceding the "Relevant Date".

Pursuant to the SEBI Preferential Issues Guidelines computed on the above basis, the New Equity Shares are to be issued at a price-not less than Rs 6.12 per Equity Share and the New Equity Shares are proposed to be issued @ Rs 6.12 per Equity Share.

The present resolution is proposed to be passed in order to enable the Company to issue the New Equity Shares subject to such approvals, permissions, sanctions and consents of any Authority that may be required and subject to such terms and conditions, stipulations and modifications as any such Authority may prescribe or impose at the time of granting its approval, permissions, sanctions and consents and which may be agreed to by the Board/Committees of Directors.

The New Equity Shares shall be subject to the Memorandum and Articles of Association of the Company and the terms of Issue. The New Equity Shares shall rank pari passu with the existing shares of the Company in all respects.

Disclosures required pursuant to Chapter XIII of the SEBI Preferential Issues Guidelines :

(a) Objects of the Issue through Preferential Offer

To strengthen the Equity Base of the Company as also to clear some of the old outstanding dues of the Creditors.

(b) Intention of the Promoters, Directors and key Management persons to subscribe to the offer.

The offer is to be made to 8 (eight) Creditors and none of the Promoters, Directors and Key Management persons will subscribe to the offer and acquire further shares in the Company on a preferential basis pursuant to the resolution.

(c) Shareholding Pattern of the Company before and after the Preferential Issue :

Category	Pre-Issue Equity holding (No. of Shares)*	Percentage	Post-Issue Equity holding (No. of Shares)	Percentage
A. Shareholding of Promoter and Promoter Group (A)				
Group (A)	2,08,73,139	23.01	2,08,73,139	19.28
Sub-Total	2,08,73,139	23.01	2,08,73,139	19.28
B. Public Shareholding (B)				
(1) Institutions				
(a) Mutual Funds / UTI	12,411	0.01	12,411	0.01
(b) Financial Institutions / Banks	15,25,030	1.68	15,25,030	1.41
(c) Central Govt / State Govt (s)	0	0	0	0
(d) Venture Capital Funds	0	0	0	0
(e) Insurance Companies	13,59,859	1.50	13,59,859	1.26
(f) FII's	1,96,761	0.22	1,96,761	0.18
(g) Foreign Venture Capital Investors	0	0	0	0
Sub-Total (B1)	30,94,061	3.41	30,94,061	2.86
(2) Non-Institutions				
(a) Bodies Corporate				
- Misc	3,62,11,269	39.92	3,62,11,269	33.46
- Arcil	35,25,304	3.89	1,54,25,304	14.26
- Creditors	—	—	42,48,366	3.92
- Creditors' Associates	—	—	6,53,592	0.60



Category	Pre-Issue Equity holding (No. of Shares)*	Percentage	Post-Issue Equity holding (No. of Shares)	Percentage
(b) Individuals				
(i) Individual Shareholders holding Nominal Share Capital up to Rs 1 lakh	2,42,68,975	26.76	2,42,68,975	22.42
(ii) Individual Shareholders holding Nominal Share Capital in excess of Rs 1 lakh				
- Misc	4,76,944	0.53	4,76,944	0.44
- Creditors	—	—	4,08,496	0.38
- Creditors' Associates	—	—	3,26,800	0.30
(c) NRIs	4,19,155	0.46	4,19,155	0.39
(d) OCBs	18,30,000	2.02	18,30,000	1.69
Sub-Total (B2)	6,67,31,647	73.52	8,42,68,901	77.86
Total Public Shareholding [B = B1+B2]	6,98,25,708	76.99	8,73,62,962	80.72
Grand total (A + B)	9,06,98,847	100.00	10,82,36,101	100.00

* Shareholding as on 30th June, 2009.

- (d) Proposed time within which the allotment will be completed :

As required under the SEBI Preferential Issues Guidelines, the allotment of the New Equity Shares is proposed to be made within 15 days of the date of passing of the above resolution or within 15 days of receipt of all requisite regulatory approvals, whichever is later.

- (e) The identity of the proposed Allottees and the percentages of the pre and post Preferential Issue Capital that may be held by the said Allottees :

Category	Pre-Issue Equity holding (No. of Shares)	Percentage	Post-Issue Equity holding (No. of Shares)	Percentage
Creditors-Bodies Corporate	—	—	42,48,366	3.92
Creditors-Individuals	—	—	4,08,496	0.38
Total	—	—	46,56,862	4.30

In accordance with the SEBI Preferential Issues Guidelines the New Equity Shares to be allotted to the Creditors shall be subject to a lock-in of one year from the date of their allotment.

- (f) The Statutory Auditors of the Company, M/s G Basu & Co., have certified that the issue of New Equity Shares is being made in accordance with the requirements of SEBI DIP Guidelines. The Auditors' Certificate as required under paragraph 13.5 of SEBI DIP Guidelines will be available for inspection at the Registered Office of the Company during 3.00 p.m. and 4.00 p.m. on any working day up to 15th September, 2009. The Auditors' Certificate will also be displayed on the website of the Company — www.niccogroup.com.

The Equity Shares arising out of issue of New Equity Shares pursuant to the Resolution shall rank pari passu in all respects with the existing Equity Shares of the Company. Pursuant to the provisions of Section 81(1A) of the Companies Act, 1956, any offer or issue of shares in a company to persons other than the holders of the Equity Shares of a company or to such holders otherwise than in proportion to the Share Capital paid up, requires prior approval of the Shareholders in General Meeting by a Special Resolution.

The Special Resolution set out in the Notice is intended for the purpose.

The Board of Directors believes that the proposed Preferential Issue is in the best interest of the Company and its Members.

The Special Resolution set out in item no. 9 in the Notice may be considered accordingly and the Board of Directors recommends the same for your approval.

Interest of Directors :

None of the Directors of the Company is, in any way, concerned or interested in the resolution.

Registered Office:
NICCO HOUSE
2 Hare Street
Kolkata 700 001

Dated, the 31st July, 2010

By Order of the Board
NICCO CORPORATION LIMITED

J S PAUL
Sr Vice President & Co Secretary



ANNEXURE - 'A'

Details of Directors seeking appointment/re-appointment at the ensuing Annual General Meeting
(In pursuance of Clause 49 IV(G) of the Listing Agreement)

Name of the Director	Mr Narottam Das	Mr Udayan Ray
Date of Birth	26.12.1937	01.06.1945
Date of appointment	12.04.1993	30.07.2003
Expertise in specific functional areas	Experience as Company Secretary & Finance Director of large Public Sector Unit.	Extensive experience in Finance, Treasury, Taxation, Operations and Human Resources Management
Qualifications	Cost Accountant, Co. Secretary	Post Graduate in Commerce, F.I.C.W.A.
List of other Companies in which Directorships held	1. Shibir India Ltd. 2. Nicco Engineering Services Ltd. 3. Al Champdani Industries Ltd. 4. Nicco Biotech Ltd.	1. Nicco Engineering Services Ltd. 2. Nicco Biotech Ltd. 3. NE Cables Ltd. 4. Nicco Cables Ltd. 5. Nicco Ventures Ltd.
Memberships/Chairmanships of Committees of Directors of the Company	1. Audit Committee –Chairman 2. Shareholders'/Investors' Grievance Committee –Chairman 3. Compensation & Remuneration Committee –Chairman	Shareholders'/Investors' Grievance Committee –Member
Memberships/Chairmanships of Committees of Directors of other Companies	1. Nicco Engineering Services Ltd. Audit Committee –Member 2. Nicco Biotech Ltd. Audit Committee –Chairman 3. Shibir India Ltd. Audit Committee –Chairman	1. Nicco Engineering Services Ltd. Audit Committee – Member 2. Nicco Biotech Ltd. Audit Committee – Member
Shareholding of Non-Executive Directors as stated in Clause 49(IV)(E)(v)	5038	N.A.

Name of the Director	Ms Pallavi Priyadarshini Kaul	Mr Sanjoy Bhattacharya
Date of Birth	11.09.75	20.05.1946
Date of appointment	31.10.2007	28.11.1995
Expertise in specific functional areas	Management, Marketing and experience in running a Company in H.R. Field.	Company Executive, Technical and Marketing
Qualifications	B.A (Hons) in Economics; Diploma in Finance and Accounting, London School of Economics.	B.Tech (Hons)
List of other Companies in which Directorships held	1. Nicco Ventures Ltd. 2. Nicco Financial Services Ltd. 3. Nicco Parks & Resorts Ltd. 4. Nicco Biotech Ltd. 5. Propel Properties Pvt. Ltd. 6. Genemore Tracom Pvt. Ltd.	1. Nicco Biotech Ltd. 2. NE Cables Ltd. 3. Nicco Cables Ltd.
Memberships/Chairmanships of Committees of Directors of the Company	Shareholders'/Investors' Grievance Committee – Member	Shareholders'/Investors' Grievance Committee –Member
Memberships/Chairmanships of Committees of Directors of other Companies	Nil	1. Nicco Biotech Ltd. Audit Committee – Member
Shareholding of Non-Executive Directors as stated in Clause 49(IV)(E)(v)	2,000	2

**DIRECTORS' REPORT TO THE MEMBERS**

For the year ended on 31st March 2010

Your Directors present herewith their Report together with the Audited Accounts of your Company for the year ended 31st March 2010.

(Rs. In Lakhs)
2009-10**A. FINANCIAL RESULTS & APPROPRIATIONS**

Gross Turnover	:	32013
Gross Profit/(Loss) for the year	:	(2346)
Less: Interest	:	2362
Less: Depreciation	:	773
Profit / (Loss) before Tax	:	(5481)
Less : Deferred Tax Asset/FBT	:	1165
Net Profit / (Loss) after Tax	:	<u>(4316)</u>

The economic downturn coupled with shortage of working capital seriously affected the performance of your Company. In addition, your Company faced industrial relation problems connected to payment of bonus in both factories leading to temporary suspension of work. The margin for all activities declined sharply due to intense competition. The overall profitability position could not be protected by increasing volume due to a shortage of working capital and the industrial relation situation. Further the loss making projects of IOCL and NALCO were commissioned. The settlements with the unions and workmen were reached in both factories. The package from Corporate Debt Restructuring (CDR) was approved and implemented with effect from 30th June 2009. Some improvement in performance was achieved in January – March 2010 quarter but the same was not adequate to return to profitability.

The order book position at the beginning of the financial year 2010-11 was healthy. Many of the problems faced during the year were addressed except the working capital situation, which remained critical and adversely impacted operations.

B. DIVIDEND

In view of the loss suffered by the Company and the accumulated losses of the previous years, your Directors do not recommend any dividend on Preference or Equity Shares.

C. Management Discussion and Analysis Report

Management Discussions and Analysis Report as required under the Listing Agreement with the Stock Exchange is enclosed in Annexure A.

D. FINANCE

The restrictive clauses in the Master Agreement with Prysmian (agreed in good faith that the deal would go through) and their abrupt and sudden withdrawal had an adverse influence on the performance of your Company. To seek redressal your Company had moved a petition to Calcutta High Court and the Supreme Court. The Supreme Court in a recent judgment has referred the matter to Arbitration and has also appointed the Arbitrator.

With a view to address the issues, in particular the working capital shortage, the Company had approached CDR for restructuring of the finances. The approval of CDR was received on 23rd March 2009.

Your Company complied with all the stipulations in regard to creation of securities, infusion of fresh funds etc and the package was implemented with effect from 30th June 2009. Simultaneously TDB, WBIDC and Government of West Bengal were also approached to restructure the Loans and Preference Shares.

The package provided initial support but under present circumstances is inadequate for long term growth and profitability. Your Company is thus exploring other options for raising funds.

On restoration of facilities as per CDR approved package, your Company could obtain some working capital for operations. In addition, your Company resorted to stringent cost reduction program. As mentioned earlier the industrial relation problems arising out of payment of bonus adversely affected the production and profitability. The settlement with unions/workmen was reached and both factories are now operational.

E. FIXED DEPOSITS

The total amount of deposits as on 31st March 2010 was Rs. 0.40 lakhs. Depositors did not claim deposits aggregating to Rs. 0.40 lakhs due for repayment before 31st March 2010. None of the deposits have since been refunded or renewed.

F. NOTES ON SUBSIDIARIES

The notes on subsidiaries may be read along with the Consolidated Financial Statements enclosed with the Accounts, prepared in accordance with Accounting Standard 21. Your Company has been exempt from the provisions of Section 212(1) of the Companies Act, 1956 relating to the attachment of the accounts of its subsidiaries to its Accounts. Shareholders so desiring



the annual accounts of your Company's subsidiaries may obtain the same upon request. The report and accounts of the subsidiary companies will be kept for inspection at your Company's registered office and those of the subsidiary companies. Further, the report and accounts of the subsidiary companies will also be available at your Company's website, www.niccogroup.com.

Nicco Engineering Services Ltd, had a gross turnover of Rs. 2,112 lac during the year ended 31st March 2010 which was similar to the previous year. This was despite the slowdown in Q2 and Q3. However profitability declined on account of non-recurring charges relating to office relocation expenses necessitated by the fire at the Company's office and the profit before tax stood at Rs. 286.41 lacs.

Nicco Biotech Limited has achieved a turnover of Rs. 34.50 lacs in 2009-10 as against Rs. 38.04 lacs in 2008-09. The net loss after tax has been brought down from Rs. 40.94 lacs to Rs. 19.54 lacs.

NE Cables has made a loss of Rs. 0.14 lacs in 2009-10 as against Rs. 0.47 lacs in 2008-09. The Company has not commenced operation and hence no transactions have taken place during the year under review.

Nicco Cables Limited has made a net loss of Rs. 0.01 lacs in 2009-10 against Rs. 0.08 lacs in 2008-09. The Company has not commenced operation and hence no transaction has taken place during the year under review.

G. ENERGY CONSERVATION

The details relating to energy conservation requirements of section 217(l)(e) of the Companies Act, 1956 are not applicable.

H. RESEARCH AND DEVELOPMENT

Details in regard to Research and Development are shown in Annexure B.

I. FOREIGN EXCHANGE EARNINGS AND OUTGO

Details of foreign exchange earnings and outgo are shown in Annexure B.

J. CORPORATE GOVERNANCE

Your Company has always followed the principles of good Corporate Governance through accountability and transparency. A separate report on Corporate Governance as prescribed in the Listing Agreement of the relevant Stock Exchange forms part of the Annual Report 2009-10 along with the Auditor's statement on its compliance (Annexure C).

K. TOTAL QUALITY AND ENVIRONMENT MANAGEMENT

Both the factories at Shyamnagar and Baripada are accredited to Quality Management System (QMS) under ISO 9001:2000 and Environment Management System (EMS) under ISO 14001:2004. Shyamnagar unit has updated their ISO 9001:2000 certificate to ISO 9001:2008 which is the latest version of Quality Management System specification. Baripada will update their certificate to 2008 version by November 2010. Both these systems continue to be maintained through periodic Internal Audits by a team of trained Internal Auditors and by Re-Certification/Surveillance Audits conducted by the Indian Register of Quality System (IRQS).

L. FUTURE PROSPECTS

With the continued thrust in improving internal efficiencies and other operational measures your Directors are planning for a better performance in the current year.

M. DIRECTORS

Mr Sanjoy Bhattacharya ceased to be a Director of the Company with effect from 30th September 2009 pursuant to his retirement as Director (Cable Operations).

Your Directors place on record their appreciation of the valuable services rendered by Mr Sanjoy Bhattacharya during his tenure as Director (Cable Operations) of the Company.

Mr Sanjoy Bhattacharya, was appointed as an Additional Director on 1st October, 2009. Mr Sanjoy Bhattacharya holds office as Director of the Company up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing along with the requisite deposit from a Member, in terms of Section 257 of the Companies Act, 1956, signifying his intention to propose the appointment of Mr Sanjoy Bhattacharya, as a Director of the Company at the forthcoming Annual General Meeting.

The particulars of Mr Sanjoy Bhattacharya required to be disclosed, pursuant to clause 49(IV)(G) of the Listing Agreement, are also given in the Notice convening the 27th Annual General Meeting of the Company.

Mr Narottam Das, Mr Udayan Ray and Ms Pallavi P Kaul retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

A brief resume of the Directors proposed to be appointed/re-appointed, nature of their expertise in specific functional areas and names of Companies in which they hold Directorship and Memberships/Chairmanships of Board/Committees, as stipulated under clause 49 (IV)(G) of the Listing Agreement with the Stock Exchange, are provided in the Notice convening the 27th Annual General Meeting of the Company.

Your Directors express their profound grief on the sad demise of Dr L R Vaidyanath on 26th July, 2010.

The Board placed on record its deep sense of appreciation for the invaluable contributions made by Dr L R Vaidyanath during his tenure as a Director of the Company.



N. EXPORTS

During the year under review exports have not been significant.

O. DIRECTORS' RESPONSIBILITY PURSUANT TO SECTION 217 (2AA) OF THE COMPANIES ACT, 1956

Your Directors confirm :

1. that in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed ;
2. that your 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 year ended 31st March, 2010 and of the loss of the Company for that period ;
3. that your 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 ;
4. that your Directors have prepared the Annual Accounts on a going concern basis.

P. PARTICULARS OF EMPLOYEES

Particulars of Employees under section 217(2A) of the Companies Act, 1956 and forming part of Directors' Report for the year ended 31st March 2010.

Name	Age	Designation/ Nature of Duties	Gross Remuneration (Rs.)	Qualifications	Experi- ence (Yrs.)	Date of Joining	Previous Employment held
Rajive Kaul	61 yrs.	Chairman	31,61,493	B.Sc. (Hons) Metallurgical Engineer (London) ARSM (London) MIIM (India) FIM (London) Chartered Engineer (London)	38	13.07.1976	ITC Ltd. Executive Marketing Dept.

Q. AUDITORS

The Statutory Auditors of your company M/s G Basu & Co., Chartered Accountants, retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment. Your Directors recommend the re-appointment of M/s G Basu & Co., as Statutory Auditors of the Company and their remuneration needs to be fixed.

R. AUDITORS' REPORT

The Comments made by the Auditors in their report have been duly explained in the attached Notes to Accounts and hence do not need to be dealt with here.

S. COST AUDITORS

Pursuant to the directives of the Central Government under the provisions of section 233B of the Companies Act, 1956 M/s S Roy Choudhury & Co., Cost Accountants, have been appointed to conduct Cost Audits relating to cables manufactured by your Company.

T. ACKNOWLEDGEMENTS

Your Directors wish to record their sincere appreciation of the efforts put in by many employees and their commitment during the year. Your Directors also take this opportunity to acknowledge the cooperation and assistance of Banks, Financial Institutions, Technology Development Board, the Government of India, the Government of West Bengal and the CDR Cell. Finally, your Directors owe their gratitude to all the Shareholders and Debenture Holders for their continued support to your Company.

On behalf of the Board of Directors

Place : Kolkata
Dated, 21st day of May, 2010

RAJIVE KAUL
Chairman

ANNEXURE — A

MANAGEMENT DISCUSSION AND ANALYSIS

A. Industry Structure & Development**Power Cables Division :**

The Energy Cables sector experienced no growth in 2009 but started recovering in 2010. However, margins continue to be under extreme pressure in all areas especially in the Medium Voltage XLPE Cables and Low Voltage Power Cables. This has been due to over-capacity in the industry and enhanced competition. Multinational companies are in the process of establishing their base through Joint Ventures and greenfield ventures. Although margins are not expected to improve significantly, the growth envisaged in the power and utility segments augurs well for the Cable industry.

Project Division :

The Project Division undertakes execution of multidisciplinary engineering projects and has established itself as an Engineering, Procurement and Construction (EPC) contractor of repute in the Country. The Division also provides Engineering Consultancy Services. While major projects have been planned in the target industries such as Oil & Gas, Petrochemicals, Refineries, Nuclear Power, Ferrous and Non-Ferrous and Chemical Industries, a large number of newer competitors have emerged which has led to increased competition.

B. Segment-wise Performance**Power Cables Division :**

The Cable Division registered a gross sales turnover of Rs. 201 crores. While the sales of Speciality Cables manufactured in Shyamnagar remained at levels similar to last year, there was a drop in sales of Medium Voltage XLPE cables produced at Baripada mainly due to suspension of operations for 5 months as also a shortage of working capital finance. Operations have since resumed.

Inadequacy of working capital continues to adversely impact the performance of this division.

Project Division

The Project Division had carried forward orders worth Rs. 156 crores as on 31st March 2010. The Division registered a turnover of Rs. 119 crores. The performance of the Division remained restricted due to a substantial shortage of working capital. The majority of work at two loss making projects at IOCL Panipat, and NALCO, Damanjodi has been completed. With continuing investments in the Steel, Oil and Gas and Power Sectors, the market for turnkey projects improved. During the course of the year, the Division secured orders worth around Rs. 90 crores with reasonable margins.

C. Business Strategy**Power Cables Division :**

The strategic focus continues to be on increasing the volume of Speciality Cables especially in the segments of Railways, Ship Wiring, Wind Energy and Defence industrial applications. Efforts will also continue for penetrating new market segments.

Project Division :

Major focus areas for growth would be in the business areas of Chemical Plants, Tankage Terminals, Effluent/Water Treatment Plants, Utility packages in the Steel Sector and Engineering Services.

D. Risks and Concerns**Power Cables Division :**Demand:

The basis of cable demand is the projected GDP growth of around 9%. Any slow down in this growth is likely to impact negatively on industrial/infra-structure projects thus affecting demand of cables.

Raw Material Prices:

Substantial volatility in the prices of commodities particularly metals are a concern area and may affect margins.

Competition:

Competition is an area of concern which has generated sustained pressure on margins. This situation is monitored continuously.

Finance

The shortage of working capital remains an area of concern.

Project Division :

The majority of the long term contracts are on a fixed price basis and as such the division is exposed to volatility in prices of materials like steel and cement. The booking of fresh contracts will be contingent on industrial capex and especially the construction of new plants in core sectors like steel, oil and gas and petrochemicals. Due to the shortage of skilled engineers, the sector is vulnerable to turnover of manpower and increases in employee costs.

E. Internal Control Systems and their Adequacy

Adequate Internal Control procedures are being followed commensurate with the size and nature of business of the Company for efficient usage and protection of Company's resources as also to ensure strict adherence to statutory compliances requirements. The existing system provides laid down procedures for authorizations and approvals of all transactions. Regular Internal Audits are conducted by external Chartered Accountant firms. The Internal Audit Reports with Management observations along with action taken reports on earlier decisions are submitted to the Audit Committee of the Board. The Audit Committee monitors the performance and efficacy in resource utilization of the Committee. The Audit Committee also monitors the adequacy of internal control Systems. The Audit Committee's observations and recommendations are reported to the Board of Directors at regular intervals.



F. Human Resource Management

The Company continues to focus on training employees for skill upgradation, leadership and team building in its endeavour to build a learning organisation. Employees performance is measured through an internal appraisal system. The Company has raised around Rs. 1.00 Crore towards equity contribution at the rate of 10% of salary from all employees including whole-time Directors as per CDR scheme. Barring a brief period, Industrial Relations at Shyamnagar plant remained harmonious. The Baripada plant underwent a Suspension of Operations for 5 months. Operations resumed in April 2010 after an amicable settlement with workers.

G. Financial and Operational Performance

The performance of the Company remained at a very low level due to the following reasons :

1. Delayed implementation of CDR package.
2. Inadequate Working Capital
3. After effect of sudden withdrawal of Prysmian from the deal as also the negative covenants.
4. Temporary suspension of work at factories.

The approved CDR package was implemented on 30th June 2009. The performance for the period under review also suffered due to labour unrest on bonus issue at both the factories. However, the issues were resolved and the suspension of operations were lifted after reaching amicable settlement with unions/workmen.

H. Outlook

With the implementation of stricter cost control and productivity improvement measures, it is expected that the performance of the Company will significantly improve. The Working Capital situation, however, will remain critical and is a limiting factor. The Company is contemplating several measures for mobilization of funds into the Company by further internal restructuring. With all these actions, it is expected that the Company will be able to improve its performance in the future.

I. Cautionary Statement

Statements in the Management Discussion and Analysis Report in regard to projections, estimates and expectations have been made in good faith. Many unforeseen factors may come into play and affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook. The factors include:

Raw material availability and its prices, demand and pricing in the Company's markets, changes in government regulations, economic developments in India, shortage of working capital and other incidental factors could make a difference to the Company's operations. Industry information contained in this Report, have been based on information gathered from various published and unpublished reports and their accuracy, reliability and completeness cannot be assured.

ANNEXURE — B

ANNEXURE TO THE REPORT OF THE DIRECTORS

Information under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988.

1. RESEARCH AND DEVELOPMENT

The R&D Centre of your Company has been concentrating on development of newer cost effective compounds for Specialized Cables and Electron Beam Cables.

2. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

Your Company has absorbed the updated polymer technology for development of newer compounds.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

	Year 2009-10 (Rs. Lacs)
Export (including deemed exports)	31.81
Other Foreign Exchange Earnings	—
Foreign Exchange Outgo	—
Import of Materials	700.31
Traveling & Others	7.09
Technical Design	Nil

On behalf of the Board of Directors

Place : Kolkata
Dated, 21st Day of May, 2010

RAJIVE KAUL
Chairman



ANNEXURE — C

REPORT ON CORPORATE GOVERNANCE (Pursuant to Clause 49 of the Listing Agreement)

Company's policies on the Corporate Governance and due compliance report on specific areas wherever applicable for the year ended on 31st March, 2010, are given hereunder divided into the following areas :

Company's philosophy on Corporate Governance

Nicco believes that good Corporate Governance is essential to achieve long term Corporate Goals and to enhance stakeholders' value. Your Company's business objective and that of its Management and Employees is to manufacture and market the Company's products and services in such a way so as to create value that can be sustained over a long term for all its stakeholders, including Shareholders, Employees, Customers, Government and the Lenders. In addition to compliance with regulatory requirements, Nicco endeavours to ensure that the highest standards of ethical conduct are met throughout the organisation. The principles of good Corporate Governance through accountability, transparency and professionalism have always been followed by your Company.

1. Code of Conduct

In tune with the corporate philosophy stated in the preceding paragraph, the Board of Directors of the Company in its meeting held on 23rd February, 2005 laid down a Code of Conduct for all Board Members and Senior Management of the Company in terms of the requirements placed in the amended clause 49. The Code of Conduct is displayed at Nicco website www.niccogroup.com. Affirmations regarding compliance with the Code of Conduct have been obtained from all Board Members and Senior Management personnel of the Company. As required, a declaration duly signed by the Managing Director to that effect is attached as per Annexure-A.

2. Board of Directors**(a) Composition of the Board**

The Board of Directors comprises of eleven members consisting of nine Non-Executive Directors. The Non-Executive Directors are eminent professionals, drawn from amongst persons with experience in business and industry, finance, law and public enterprises. The composition is as under :

Sl. No.	Name of the Director	Category of Directors	No. of other Directorships held [excluding Foreign Companies and Private Companies]	No. of other Board Committee(s) of which he/she is a Member [Audit Committee & Shareholders' Grievances Committee]	No. of other Board Committee(s) of which he/she is a Chairperson [Audit Committee & Shareholders' Grievances Committee]
1.	Mr Rajive Kaul	Executive – Chairman	9	2	—
2.	Mr Udayan Ray	Managing Director	5	2	—
3.	Dr Tridibesh Mukherjee	Non-Executive Independent	4	1	—
4.	Mr Narottam Das	Non-Executive Independent	4	1	1
5.	Mr Prabir Chakravarti	Non-Executive Independent	9	5	—
6.	Mr Sujit Poddar	Non-Executive Independent	6	2	1
7.	Mr Umesh Kumar Nominee of TDB	Non-Executive Independent	—	—	—
8.	Dr L R Vaidyanath*	Non-Executive Independent	2	—	—
9.	Mr Sanjoy Bhattacharya	Non-Executive Non-Independent	4	1	—
10.	Mr D N Bhattacharjee	Non-Executive Independent	—	—	—
11.	Ms Pallavi Priyadarshini Kaul	Non-Executive Non-Independent	4	—	—
12.	Mr Shiv Siddhant Narayan Kaul	Non-Executive Non-Independent	4	—	—

* from 18th July, 2001 to 26th July, 2010

**(b) Number of Board Meetings held and attended by the Directors**

(i) Seven Meetings of the Board of Directors were held during the year ended on 31st March, 2010. These were held on :

- (1) 21st May, 2009;
- (2) 31st July, 2009;
- (3) 10th*August, 2009;
- (4) 16th September, 2009;
- (5) 31st October, 2009;
- (6) 30th January, 2010; and
- (7) 6th March, 2010

(ii) The attendance record of each of the Directors at the Board Meetings during the year ended on 31st March, 2010, and at the last Annual General Meeting and Fees paid to them for attending the Board Meetings are as under :

Sl. No.	Name of Directors	No. of Board Meetings attended	Attendance at the last AGM	Sitting fees paid to the Directors for attending Board Meetings (Rs.)
1.	Mr Rajive-Kaul	7	Yes	Nil
2.	Mr Udayan Ray	6	Yes	Nil
3.	Dr Tridibesh Mukherjee	4	Yes	32,000/-
4.	Mr Narottam Das	6	Yes	48,000/-
5.	Mr Prabir Chakravarti	7	Yes	56,000/-
6.	Mr Sujit Poddar	7	Yes	56,000/-
7.	Mr Umesh Kumar Nominee of TDB	4	No	32,000/-
8.	Dr L R Vaidyanath*	4	No	32,000/-
9.	Mr Sanjoy Bhattacharya	6	Yes	24,000/-
10.	Mr D N Bhattacharjee	1	No	8,000/-
11.	Ms Pallavi Priyadarshini Kaul	7	Yes	56,000/-
12.	Mr Shiv Siddhant Narayan Kaul	7	Yes	8,000/-

* from 18th July, 2001 to 26th July, 2010

3. Committees of the Board

There are presently four committees of the Board of Directors — Audit Committee, Compensation & Remuneration Committee, Shareholders'/Investors' Grievance Committee and Technology Committee.

The Minutes of all Board and Committee Meetings are placed before the Board and noted by the Directors at the Board Meetings. The role and composition of Audit Committee, Compensation & Remuneration Committee, Shareholders'/Investors' Grievance Committee and Technology Committee including the number of Meetings held during the year ended 31st March, 2010 and the related attendance are as follows:

Audit Committee

(i) The Audit Committee was constituted by the Board at its meeting held on 30th April, 1999. The present composition of the Audit Committee consists of four Independent Non-Executive Member Directors, viz :

- (1) Mr Narottam Das—*Chairman*,
- (2) Mr Prabir Chakravarti,
- (3) Mr Sujit Poddar, and
- (4) Mr D N Bhattacharjee.

The Committee has elected Mr Narottam Das as its Chairman. Mr J S Paul, Senior Vice President & Company Secretary is the Secretary of the Committee.



Composition

The Audit Committee is constituted in accordance with the provisions of Clause 49(II)(A) of the Listing Agreement and section 292A of the Companies Act, 1956. All the members of Audit Committee are financially literate and 3 members are having accounting and related financial management expertise.

- (ii) The Audit Committee Meetings were held on 20th May, 2009, 19th June, 2009, 30th July, 2009, 15th September, 2009, 31st October, 2009, 30th January, 2010, and 23rd March, 2010. The attendance of each Audit Committee Member and Fees paid to him for attending the Audit Committee Meetings is as under :

Names of the Audit Committee Members	No. of Meetings attended	Sitting Fees paid to the Members for attending Audit Committee Meetings (Rs.)
Mr Narottam Das	7	56,000/-
Mr Prabir Chakravarti	7	56,000/-
Mr Sujit Poddar	7	56,000/-
Mr D N Bhattacharjee	1	8,000/-

- (iii) At the invitation of the Chairman of the Audit Committee, the Managing Director, the Sr VP & CFO, representatives from various Divisions of the Company, Internal Auditors, Statutory Auditors etc also attended the Audit Committee Meetings to respond to queries raised at the Committee Meetings.
- (iv) The role and terms of reference of the Audit Committee cover the matters specified for Audit Committee under Clause 49 of the Listing Agreement as well as in section 292A of the Companies Act, 1956.

4. Compensation & Remuneration Committee

Brief Description of Terms of Reference

To approve appointments, remuneration, terms of appointments, gradations, scales, perquisites, including promotions and annual increments etc. of the Executive Directors/ Managing Directors/ Whole Directors, and, to forward its recommendations to the Board of Directors for consideration.

Composition

The Compensation & Remuneration Committee comprises of four Directors, of which, all are Independent, Non-Executive Directors. The Chairman of the Committee is an Independent, Non-Executive Director, nominated by the Board.

The present Composition of the Compensation & Remuneration Committee is as follows :

1. Mr Narottam Das	Chairman	Independent, Non-Executive
2. Dr L R Vaidyanath*	Member	Independent, Non-Executive
3. Mr Prabir Chakravarti	Member	Independent, Non-Executive
4. Mr Sujit Poddar	Member	Independent, Non-Executive

* from 18th July, 2001 to 26th July, 2010

Meetings And Attendance

No Meeting of the Compensation & Remuneration Committee was held during the Year.

Remuneration Policy

The objectives of the remuneration policy are :

- (i) To maintain employee motivation and morale.
- (ii) To attract fresh talents as per the requirements of the Company.
- (iii) To encourage the employees towards better performance.
- (iv) To upgrade skill set of the employees through training.
- (v) To grant increments/promotions to the employees in consonance with their performance/contribution against assigned responsibilities.

The remuneration comprises of salary and perquisites.



Continuous communication is maintained with the employees to understand their perspective and to clarify to them the organisational needs/goals.

Payment of remuneration to the Managing/ Wholtime Directors is governed by the terms and conditions of their appointment as recommended by the Compensation & Remuneration Committee and approved by the Board, subject to the approval of the shareholders and the Central Government, where applicable. The remuneration structure comprises basic salary, perquisites and allowances and contribution to Provident, Superannuation and Gratuity Funds.

(a) DETAILS OF REMUNERATION TO EXECUTIVE/ MANAGING DIRECTOR

Particulars	Mr Rajive Kaul	Mr Udayan Ray	Mr Sanjoy Bhattacharya	Total
	(Rs)	(Rs)	(Rs)	(Rs)
Salaries				
Basic	21,00,000	13,80,000	6,00,000	40,80,000
House Rent Allowance	—	—	—	—
Servant Allowance	48,000	30,000	15,000	93,000
	<u>21,48,000</u>	<u>14,10,000</u>	<u>6,15,000</u>	<u>41,73,000</u>
Contribution to PF & Other Funds				
Contribution to Superannuation Fund	3,97,583	3,00,656	90,000	7,88,239
Contribution to Provident Fund	2,52,000	1,65,600	72,000	4,89,600
	<u>6,49,583</u>	<u>4,66,256</u>	<u>1,62,000</u>	<u>12,77,839</u>
Provision for Leave Encashment	—	1,22,667	—	1,22,667
Perquisites				
Gas & Electricity	2,12,625	38,435	18,020	2,69,080
Soft Furnishing Allowances	—	20,000	20,000	40,000
Perquisite value of Furniture	11,000	4,000	4,000	19,000
Medical Reimbursement	1,300	35,398	32,000	68,698
Club & Home Entertainment Expenses	68,985	75,000	36,497	1,80,482
Leave Travel Allowance	70,000	40,000	30,000	1,40,000
	<u>3,63,910</u>	<u>2,12,833</u>	<u>1,40,517</u>	<u>7,17,260</u>
TOTAL	<u>31,61,493</u>	<u>22,11,756</u>	<u>9,17,517</u>	<u>62,90,766</u>

Board Procedure

The Members of the Board have been provided with the requisite information mentioned in the Listing Agreement well before the Board Meetings and the same were dealt with appropriately.

The Board is also free to recommend the inclusion of any matter for discussion in consultation with the Chairman.

All the Directors who are in various Committees are within the permissible limits set as per the Listing Agreement. The Directors have intimated from time to time about their Memberships/ Chairmanships in the various Committees in other Companies.

5. Shareholders

Shareholders'/ Investors' Grievance Committee

The Board of Nicco Corporation Limited has constituted a Shareholders'/ Investors' Grievance Committee of Directors. The Committee presently comprises of Mr Narottam Das, a Non-Executive Director, as the Chairman, Mr D N Bhattacharjee, Mr Sanjoy Bhattacharya, Ms Pallavi Priyadarshini Kaul and Mr Shiv Siddhant Narayan Kaul, Non-Executive Directors, as Members and Mr Udayan Ray, Managing Director, as a Member. The terms of reference of the Committee are to specifically look into the redressing of Shareholders' complaints like transfer of shares, non-receipt of share certificates after transfer, non-receipt of Balance Sheet, non-receipt of declared dividends, etc.

The Committee, inter-alia, deals with various matters relating to :

- transfer / transmission / transposition of shares;
- consolidation / splitting of folios;
- issue of share certificates for lost, sub-divided, consolidated, rematerialised, defaced etc. share certificates;
- review of shares dematerialised and all other related matters; and
- Investors' grievances and redressal mechanism and recommends measures to improve the level of Investor Services.

The Share Department of the Company and the Registrar and Share Transfer Agents, M/s R & D Infotech Pvt. Ltd. attend to all grievances of the Shareholders and Investors received directly or through SEBI, Stock Exchanges, Department of Company Affairs, Registrar of Companies etc.



Continuous efforts are made to ensure that grievances are more expeditiously redressed.

Four meetings of the Committee were held during the period under review, the dates being 21st May, 2009, 31st July, 2009, 31st October, 2009 and 30th January, 2010.

Compliance Officer

Mr J S Paul, Sr Vice President & Co Secretary (email id : jspaul@niccogroup.com), is the 'Compliance Officer' of the Company for the requirements under the Listing Agreement with Stock Exchanges.

(a) Shareholders' Complaints and Redressals as on 31.03.2010 :

Types of Grievances and Categories	Non-receipt of Shares after transfer	Non-receipt of Balance Sheet	Non-receipt of declared Dividends	Non-receipt of duplicate Shares	Non-receipt of exchanged Shares	Non-receipt of credit of Dematerialised Shares	Others	Complaints received from SEBI	Complaints received from Stock Exchanges	Total
Complaints received during the year	—	7	2	1	9	8	1	—	—	28
Complaints redressed	—	7	2	1	9	8	1	—	—	28

(b) Number of pending Share Transfers : Nil

(c) Information about the Directors proposed to be appointed / re-appointed at the ensuing Annual General Meeting as required under Clause 49(IV)(G) of the Listing Agreement with the Stock Exchange has been appended to the Notice for the Annual General Meeting which is being circulated to the Members along with this Report.

6. Technology Committee

(i) The Technology Committee was constituted by the Board at its Meeting held on 31st October, 2009 for, inter alia, identifying, addressing and deliberating upon matters relating to Cable technology and operations of the Cable Plants of the Company, initially starting with Shyamnagar Plant.

The Technology Committee shall apprise the Board / submit observations / text of deliberations / recommendations to the Board from time to time, for consideration of the same, in each subsequent Board Meeting of the Company. The present composition of the Technology Committee consists of two Non-Executive Member Directors, viz :-

- (1) Dr Tridibesh Mukherjee — Chairman
- (2) Mr Sanjoy Bhattacharya — Member

Ms Pallavi P Kaul, Director, is a Permanent Invitee to all Meetings of the Committee.

(ii) The Technology Committee Meetings were held on 6th November, 2009, 4th December, 2009, 6th January, 2010, 12th February, 2010, 6th March, 2010 and 30th March, 2010. The attendance of each Technology Committee Member and Fees paid to him for attending the Technology Committee Meetings is as under :-

Names of the Technology Committee Members	No. of Meetings attended	Sitting Fees paid to the Members for attending Technology Committee Meetings (Rs.)
Dr Tridibesh Mukherjee	6	48,000/-
Mr Sanjoy Bhattacharya	6	48,000/-

Compliance Certificate

Compliance Certificate for Corporate Governance from the Auditors of the Company is annexed herewith.

**7. Annual General Meetings**

(a) The details of Annual General Meetings held in the last three years are as under :

Sl. No.	AGM	Day	Date	Time	Venue	No. of Special Resolutions Passed
1.	24th AGM	Monday	30.07.2007	11.30 a.m.	"Williamson Magor Hall" of The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata-700 001.	Nil
2.	25th AGM	Wednesday	30.07.2008	11.30 a.m.	"Williamson Magor Hall" of The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata-700 001.	Nil
3.	26th AGM	Wednesday	16.09.2009	11.00 a.m.	"Williamson Magor Hall" of The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata-700 001.	3

Special Resolutions were passed by the requisite majority.

- (b) Whether Special Resolutions were put to vote through Postal Ballot last year : No
 Passing of resolutions by Postal Ballot : No

8. Subsidiaries

The Company has 3 material non-listed Indian Subsidiary Companies viz. Nicco Engineering Services Limited, Nicco Biotech Limited and NE Cables Limited. The other Indian Subsidiary Company is Nicco Cables Limited. NE Cables Ltd and Nicco Cables Limited are subsidiaries of Nicco Engineering Services Ltd.

- (a) Financial Statements, in particular the Investments made by the unlisted Subsidiary Companies, are reviewed quarterly by the Audit Committee of the Company.
 (b) All Minutes of the Meetings of the Unlisted Subsidiary Companies are placed before the Company's Board regularly.
 (c) A statement containing all significant transactions and arrangements entered into by the Unlisted Subsidiary Companies is placed before the Company's Board.

The requirements of clause 49 of the Listing Agreement in respect of the above Companies have been duly complied with.

9. Disclosures

- (a) **Disclosure on materially significant related party transactions that may have potential conflict with the interests of the Company at large**

Related party transactions have been disclosed under Note No. VIII in Schedule 23B to the Accounts for the year under review.

- (b) **Disclosure of Accounting Treatment**

In the preparation of Financial Statements for the period from 1st April, 2009 to 31st March, 2010, the treatment as prescribed in the Accounting Standards issued by the Institute of Chartered Accountants of India has been followed.

- (c) **Risk Management**

Business risk evaluation and management is an ongoing process within the Company. During the year under review, a detailed exercise on 'Risk Assessment and Management' was carried out covering the entire gamut of business operations. The Board provides oversight of the risk management process followed by the Company and reviews the progress of the action plan for each risk on a quarterly basis.

- (d) **Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.**

No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to the capital markets, during the last three years.

- (e) **CEO/CFO Certification**

The Managing Director (CEO) and the Sr Vice President & CFO of the Company have certified to the Board that all the requirements of Clause 49(V) of the Listing Agreement, inter alia, dealing with the review of Financial Statements and Cash Flow Statement for the year ended on 31st March, 2010, transactions entered into by the Company during the said year, their responsibility for establishing and maintaining internal control systems for financial reporting and evaluation of the effectiveness of the internal control system and making of necessary disclosures to the Auditors and the Audit committee have been duly complied with.

10. Means of Communication

- (i) Quarterly Results :
Which Newspapers normally published in : The Financial Express (English) and Kalantar (Bengali)
- (ii) Any Website, where displayed : Yes, www.niccogroup.com
- (iii) Whether it also displays official news releases : No
- (iv) Whether it also displays presentations made to Institutional Investors/Analysts : No
- (v) Whether Management Discussion & Analysis is a part of Annual Report : Yes, in the Directors' Report.

As per the requirements of Clause 51 of the Listing Agreement, data related to Quarterly Financial Results, Shareholding Pattern etc. is uploaded on to the website www.sebidifar.nic.in.

Code of Conduct for Prevention of Insider Trading

The Securities and Exchange Board of India (SEBI) has, effective 20th February, 2002 introduced amendments to the existing Insider Trading Regulations of 1992 which ordain new actions/steps by corporates and other market intermediaries for the purposes of prevention of Insider Trading.

Pursuant to the above requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, the Company has adopted a 'Code of Conduct for Prevention of Insider Trading' (Nicco Corporation Limited Code) with effect from 20th November, 2003. The Code is applicable to all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company.

Mr. J S Paul, Senior Vice President & Company Secretary has been appointed as the Compliance Officer for monitoring adherence to the Regulations.

11. General Shareholder Information

- (a) Annual General Meeting to be held Day, Date, Time and Venue
Day : Tuesday
Date : 28th September, 2010
Time : 3.00 PM
Venue : "Williamson Magor Hall" of The Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata-700 001.
- (b) Financial Calendar (Tentative and subject to change)
For the Financial Year 2010-11 :
Financial Reporting for the Quarters ended
* 1st Quarter ending on 30th June, 2010 : 4th week of July, 2010
* Half Year ending on 30th September, 2010 : 4th week of October, 2010
* 3rd Quarter ending on 31st December, 2010 : 4th week of January, 2011
* Audited Yearly Results for the year ending on 31st March, 2011 : 4th week of May, 2011
- (c) Dates of Book Closure : 18th September, 2010 to 28th September, 2010
- (d) Dividend Payment Date : Not applicable since no Dividend has been recommended.
- (e) Listing on Stock Exchanges at* : National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051

The Company has paid the Listing Fees for the year 2010-11 to National Stock Exchange of India Ltd.

* The Equity Shares of the Company are also traded, under the permitted category, on The Stock Exchange, Mumbai (BSE).

(f) Stock Code

Name of the Stock Exchanges	Stock Code	
	Physical	Demat
National Stock Exchange of India Ltd.	NICCO	NICCO
ISIN Number for NSDL and CDSL		INE241C01026

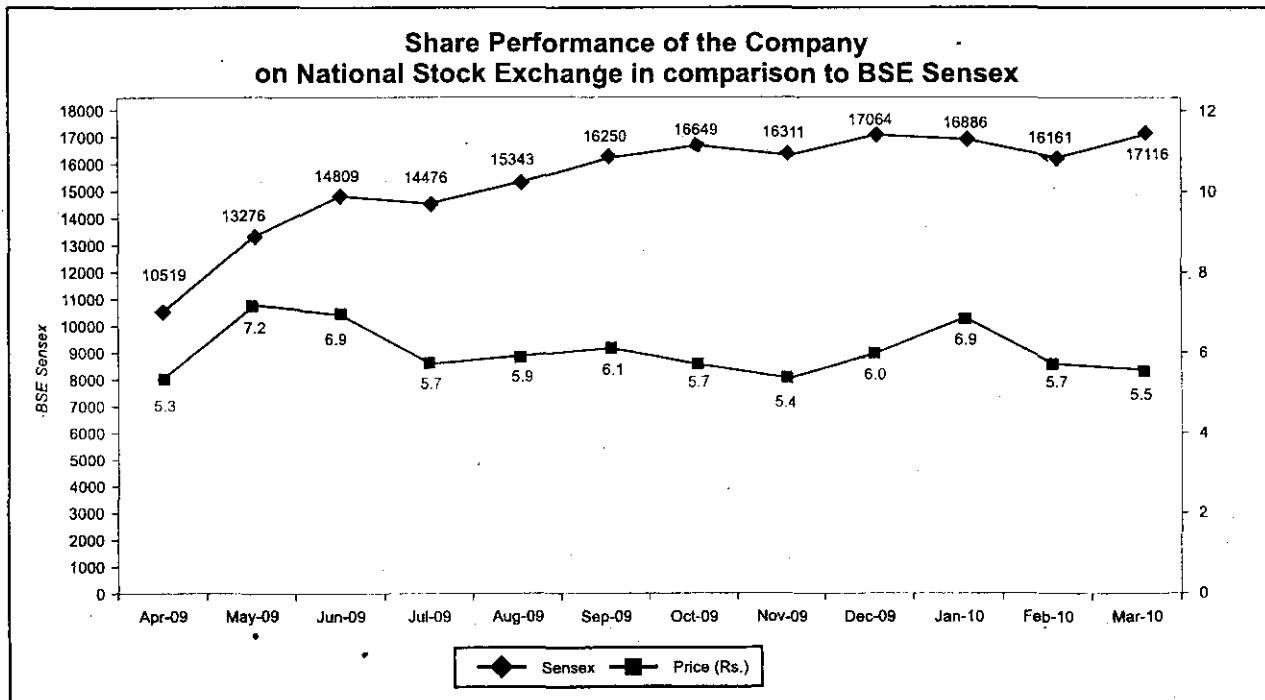


(g) Market Price Data

Month	Quotations at The National Stock Exchange of India Ltd.		BSE Sensex	
	High	Low	High	Low
April, 2009	6.62	4.01	11,492	9,546
May, 2009	9.51	4.80	14,930	11,621
June, 2009	8.34	5.50	15,600	14,016
July, 2009	6.94	4.42	15,732	13,219
August, 2009	6.54	5.21	16,002	14,684
September, 2009	6.49	5.71	17,142	15,356
October, 2009	6.35	5.00	17,493	15,805
November, 2009	6.00	4.70	17,290	15,330
December, 2009	6.94	5.01	17,530	16,577
January, 2010	8.30	5.42	17,790	15,982
February, 2010	6.39	5.00	16,669	15,651
March, 2010	6.24	4.80	17,793	16,438

(h) Share Performance of the Company in comparison to BSE Sensex

Month	Price (Rs)	Sensex	Nicco Corporation Ltd Share Price (Rs)		BSE Sensex	
			High	Low	High	Low
Apr-09	5.3	10519	6.62	4.01	11492	9546
May-09	7.2	13276	9.51	4.80	14930	11621
Jun-09	6.9	14809	8.34	5.50	15600	14016
Jul-09	5.7	14476	6.94	4.42	15732	13219
Aug-09	5.9	15343	6.54	5.21	16002	14684
Sep-09	6.1	16250	6.49	5.71	17142	15356
Oct-09	5.7	16649	6.35	5.00	17493	15805
Nov-09	5.4	16311	6.00	4.70	17290	15330
Dec-09	6.0	17054	6.94	5.01	17530	16577
Jan-10	6.9	16886	8.30	5.42	17790	15982
Feb-10	5.7	16161	6.39	5.00	16669	15651
Mar-10	5.5	17116	6.24	4.80	17793	16438



- (i) **Registrars and Share Transfer Agents** : M/s R & D Infotech Pvt. Ltd.
 Ground Floor,
 22/4, Nakuleshwar Bhattacharya Lane
 Kolkata 700 026
 Phone No. : (033) 2463-1657/8
 E-mail Id. : rdinfotec@yahoo.com, rd.infotech@vsnl.net

(j) **Share Transfer System** :

As already stated, the Company's Equity Shares are traded in the Stock Exchanges compulsorily in Demat Mode. Therefore, Investors / Shareholders are requested to kindly note that physical documents, viz., Demat Request Forms (DRF) and Share Certificates, etc. should be sent by their Depository Participants (DPs) directly to the Share Transfer Agents. As per the present system, any delay on the part of the DPs to send the DRF and the Share Certificates beyond 15 days from the date of generation of the DRN by the DP gets rejected/cancelled. This is being done to ensure that no demat requests remain pending with the Share Transfer Agents beyond a period of 30 days. Investors / Shareholders are requested to ensure that their DPs do not delay in sending the DRF and Share Certificates to the Share Transfer Agents after generating the DRN.

(k) **Distribution of Shareholdings** :

The Shareholding Distribution of Equity Shares as on 31st March, 2010 is given below :-

Sl. No.	No. of Equity Shares held	No. of Folios	No. of Shares	Percentage of Shareholdings
1.	1 to 100	23,237	11,74,164	1.24
2.	101 to 500	12,617	36,92,677	3.91
3.	501 to 1000	3,608	31,55,081	3.34
4.	1001 to 5000	3,069	74,22,602	7.87
5.	5001 to 10000	427	32,90,687	3.49
6.	10001 and above	404	7,56,19,943	80.14
Total :		43,362	9,43,55,154	100.00

(l) **Shareholding Pattern as on 31st March, 2010**

Sl. No.	Category	Nos. of Equity Shares held	Percentage of Shareholding
A. Promoters' holding			
1.	Promoters :		
	— Indian Promoters	Nil	Nil
	— Foreign Promoters	0	0
2.	Persons acting in concert	2,45,29,446	26.00
	Sub-Total :	2,45,29,446	26.00
B. Non-Promoters' Holding :			
3.	Institutional Investors		
a.	Mutual Funds & UTI	12,411	0.01
b.	Banks, Financial Institutions, Insurance Companies (Central/ State Govt. Institutions/ Non-governmental Institutions)	26,85,704	2.85
c.	FIs	1,96,761	0.21
	Sub-Total :	28,94,876	3.07
4.	Others :		
a.	Private Corporate Bodies	3,97,90,665	42.17
b.	Indian Public	2,48,72,823	26.36
c.	NRIs/OCBs	22,67,344	2.40
d.	Any Others (Please specify)		
	Trust Funds	Nil	Nil
	Sub-Total :	6,69,30,832	70.93
	GRAND TOTAL :	9,43,55,154	100.00



(m) **Dematerialisation of Equity Shares :**

As on 31.03.2010, 80.13% of the Company's total Shares representing 7,56,03,658 shares were held in dematerialised form and the balance 19.87% representing 1,87,51,496 shares were held in paper form. (Total Number of Equity Shares is 94355154)

(n) Outstanding GDRs/ADRs/ Warrants or any Convertible Instruments, conversion dates and likely impact on Equity : N.A. [The Company has not issued any GDRs and ADRs.]

(o) **Plant (Manufacturing Units) :**

1. Shamnagar, 24-Parganas (North), West Bengal.
2. Baripada, District : Mayurbhanj, Orissa.

(p) **Address for correspondence :**

Shareholders should address their correspondence to :

**Registrars and
Share Transfer Agents**

M/S R & D Infotech Pvt Ltd,
Ground Floor, 22/4, Nakuleshwar Bhattacharya Lane, Kolkata 700 026
Contact Person : Mr Ratan Mishra, Director
Ph No. : (033) 2463-1657/8
E-mail Id : rdinfotec@yahoo.com , rd.infotech@vsnl.net
E-mail Id for Investors : investorsservices@niccocorp.com

The Shareholders may also contact Mr J S Paul, Senior Vice President & Company Secretary or Mr G C Lahiri, Senior Manager (Shares), at the Registered Office of the Company for any assistance. Telephone Nos. +9133 6628 5000.

Non-mandatory requirements

1. Non-Executive Chairman's Office:

The Chairman of the Company is the Executive Chairman and hence this provision is not applicable.

2. Tenure of Independent Directors

No specific tenure has been specified for the Independent Directors.

3. Remuneration Committee

The Company has a Remuneration Committee under the nomenclature 'Compensation & Remuneration Committee', the details of which are provided in this Report under the section 'Committees of the Board — Compensation & Remuneration Committee'.

4. Shareholders' Rights

The quarterly, half yearly and annual financial results of the Company are published in leading newspapers and are also posted on the Company's website.

5. Audit Qualifications

The Company is moving towards a regime of unqualified Financial Statements.

6. Training of Board Members

The Members of the Board are eminent and experienced professional persons. The Board is equipped to perform its role of business assessment through inputs from time to time. Directors are fully briefed on all business related matters, risk assessment & minimisation procedures, and new initiatives proposed by the Company. Directors are also updated on changes / developments in the domestic / global corporate and industry scenario including those pertaining to statutes / legislation and economic environment.

7. Mechanism for Evaluation of Non-Executive Directors

The role of the Board of Directors is to provide direction and exercise control to ensure that the Company is managed in a manner that fulfills stakeholders' aspirations and societal expectations. The Board has so far evaluated Non-Executive Directors collectively to reinforce the principle of collective responsibility.

8. Whistle-Blower Policy

The Company has not yet adopted whistle blower policy mechanism. This would be evaluated and adopted on need basis. No personnel has been denied access to the Audit Committee.

The above Report has been placed before the Board of Directors of the Company at its Meeting held on 31st July, 2010, and the same was approved.

On behalf of the Board of Directors

Place : Kolkata
Dated, the 31st July, 2010

UDAYAN RAY
Managing Director

Annexure — A

To,
The Members of
Nicco Corporation Limited

**Declaration by the Managing Director (CEO) under
Clause 49(I)(D)(ii) of Listing Agreement with
Stock EXchange regarding adherence to the Code of Conduct**

In accordance with Clause 49(I)(D)(ii) of the Listing Agreement with the Stock Exchange, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct for the Financial Year ended on 31st March, 2010.

Place : Kolkata
Dated, the 31st July, 2010.

UDAYAN RAY
Managing Director



AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS STIPULATED IN CLAUSE 49 OF THE LISTING AGREEMENT

To
The Members of Nicco Corporation Limited

We have examined the compliance of the conditions of Corporate Governance by Nicco Corporation Limited, ('the Company') for the year ended on 31st March, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For G. BASU & CO.
Chartered Accountants

S. LAHIRI
Partner
Membership No. 051717

BASU HOUSE
3, Chowringhee Approach,
Kolkata-700 072

Dated, the 31st July, 2010

**AUDITORS' REPORT** to the Members of Nicco Corporation Limited

We have audited the attached Balance Sheet of Nicco Corporation Ltd. as at 31st March, 2010 and Profit & Loss Account and Statement of Cash Flow for the year ended on that date annexed thereto. These financial statements are the responsibilities 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. These 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.

We have relied on management assertion of virtual certainty of future taxable profit and admissibility of part of loss referred to in note B(V) schedule 23 for the purpose of recognition of deferred tax asset.

We, subject to note no. XXIV schedule 23 on pending redemption of Preference Shares, hereby report that

- (i) As required by the Companies (Auditors' Report) Order 2003 issued by the Central government in terms of Section 227(4A) of the Companies Act, 1956, we enclose herewith in the annexure a statement of the matters specified therein.
- (ii) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of audit.
- (iii) In our opinion, proper books of accounts, as required by law have been kept by the Company so far as appears from our examination of books of accounts.
- (iv) The Balance Sheet and Profit and Loss Account dealt with by this Report are in agreement with the books of accounts.
- (v) Balance Sheet and Profit & Loss Account have been prepared in due compliances of Accounting Standards referred to in sub section (3C) of Section 211 of Companies Act, 1956.
- (vi) 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 of the Company is disqualified for the office of the Director within the meaning of Section 274(1)(g) of the Companies Act, 1956.
- (vii) In our opinion and according to the information and explanations given to us, the said accounts read with notes appearing in schedule 23 give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - (a) In the case of Balance Sheet, of the State of Affairs of the Company as at 31st March, 2010
 - (b) In the case of Profit and Loss Account, of the Loss for the year ended on that date; and
 - (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For G. BASU & CO.
Chartered Accountants
R. No :- 301174E

S. LAHIRI
Partner
Membership No. 051717

BASU HOUSE
3, Chowringhee Approach,
Kolkata-700 072

Dated, the 21st day of May, 2010

**ANNEXURE TO THE AUDITORS' REPORT**

(As referred to in para I of the said report of even date)

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets in respect of all its locations.
2. The fixed assets have been physically verified by the Management at all locations at reasonable intervals. No material discrepancies between book records and the physical inventories have been noticed on such verification.
3. Fixed Assets disposed of during the year has not been substantial enough to affect the going concern of the Company.
4. The inventories have been physically verified at reasonable intervals by the management.
5. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
6. On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of account.
7. The Company has not granted any Loans secured or unsecured to any Company, Firm and Other party covered in the register maintained in pursuance to section 301 of the Act 1956.
8. The Company has not obtained any loan, secured or unsecured, from any company, firm other party covered in the register maintained under section 301 of the Act.
9. In our opinion and according to the information and explanations given to us there is an adequate internal control system commensurate with the size of the Company and the nature of its business for purchase of inventory and fixed assets and on the sale of goods and services. During the course of our audit no major weakness has been noticed in the internal control system. We have not observed any failure on the part of the Company to correct major weakness in internal control system.
10. (a) Based on audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of Companies Act, 1956 have been so entered.
(b) According to information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section 301 of the Act during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
11. In our opinion and according to information and explanations given to us the Company has complied with the provisions of section 58A and 58AA or any other relevant provision of Act and rules framed there under. No order has been passed against the Company by Company Law Board or National Company Law Tribunal or any court or any other tribunal or RBI.
12. In our opinion the Company has an internal audit system commensurate with the size of the Company and nature of its business.
13. On the basis of records produced we are of the opinion that prima facie cost records and accounts prescribed by the Central Government under section 209(i)(d) of the Companies Act, 1956 in respect of products of the Company covered under the rules under said section have been maintained. However we are neither required to carry out nor have carried out any detailed examination of such accounts and records.
14. (a) According to information and explanations given to us the Company is depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, service tax, wealth tax, custom duty, excise duty, cess and other statutory dues to the extent applicable to it. There has been no arrear of outstanding statutory dues on these accounts which have been outstanding for more than six months on the date of balance sheet from the date they became payable.
(b) Contingent dues on account of Sales Tax / Income Tax / Excise Duty / Entry Tax disputed by the Company and not being paid, vis-a-vis forums where such disputes are pending are mentioned below :

Nature of the Statute	Nature of Due	Amount (Rs./Lacs)	Forum where dispute is pending
Sales Tax	Sales Tax	192	Cuttack High Court
		226.08	Asst. Commissioner of Sales Tax
		29.25	Tribunal Sales Tax
		10.40	Commissioner of Commercial Taxes – Baripada
		475.29	Commissioner of Commercial Taxes – Baroda
Central Excise	Central Excise	0.24	Calcutta High Court
		667.02	Asst. Commissioner of Central Excise
Income Tax	Income Tax	27.59	Orissa High Court
Service Tax	Service Tax	79.76	Commissioner of Service Taxes – Kolkata
		13.52	Commissioner of Service Taxes – Cuttack

There has been no contingent dues on account of wealth tax, custom duty, cess or other statutory dues which have not been paid on account of dispute.

15. Accumulated loss of the Company is more than fifty percent of its net worth. The Company has sustained cash loss during the year and in the preceding year.
16. Based on the audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has no default on the date of balance sheet in repayment of dues to any financial institution, bank or debenture holder as restructured by C D R.
17. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures or other securities. However loans granted to employees are generally secured by mortgage / hypothecation of assets for which adequate records / documents are maintained.
18. The Company has maintained proper records of transaction of Shares, Debentures and other investments dealt in by it and timely entries have been made therein. Investments are held in Company's own name except for those pending transfer in company's name.
19. The Company has given guarantee for loan taken by subsidiary company from bank and terms and conditions thereon are not prima-facie prejudicial to the interest of the Company.
20. During the year the Company has not taken any fresh term loan.
21. According to information and explanations given to us no short term fund has been used for long term investment during the year.
22. The Company has made preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year, basis of which was not prejudicial to the interest of the Company.
23. The Company has created necessary security duly charged against Debentures issued / renewed.
24. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.
25. Other clauses of the order are not applicable to the Company.

For G. BASU & CO.
Chartered Accountants
R. No :- 301174E

S. LAHIRI
Partner
Membership No. 051717

BASU HOUSE
3, Chowringhee Approach,
Kolkata-700 072

Dated, the 21st day of May, 2010

**BALANCE SHEET** AS AT 31ST MARCH, 2010

	Schedule	As at 31st March, 2010		As at 31st March, 2009	
		(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)
I. SOURCES OF FUNDS :					
1. Shareholders' Funds					
a) Capital	1	4,071.46		3,998.34	
b) Reserves & Surplus	2	<u>6,246.61</u>	10,318.07	<u>6,229.45</u>	10,227.79
2. Loan Funds					
a) Secured Loans	3	15,787.41		15,668.34	
b) Unsecured Loans	4	<u>3,243.60</u>	19,031.01	<u>- 3,171.38</u>	18,839.72
Total			<u>29,349.08</u>		<u>29,067.51</u>
II. APPLICATION OF FUNDS :					
1. Fixed Assets					
a) Gross Block	5	25,819.60		25,967.82	
b) Less : Depreciation		<u>15,698.48</u>		<u>14,882.00</u>	
c) Net Block		10,121.12		11,085.82	
d) Capital Work-in-Progress		<u>19.62</u>	10,140.74	<u>16.55</u>	11,102.37
2. Investments	6		1,753.96		2,158.97
3. Deferred Tax Asset (Net)			4,511.02		3,345.70
4. Current Assets, Loans and Advances :					
a) Inventories	7	4,255.96		4,392.05	
b) Sundry Debtors	8	12,557.69		11,205.96	
c) Cash & Bank Balances	9	258.41		382.79	
d) Other Current Assets	10	152.04		97.46	
e) Loans & Advances	11	<u>2,075.57</u>		<u>3,027.11</u>	
		<u>19,299.67</u>		<u>19,105.37</u>	
Less : Current Liabilities & Provisions					
a) Liabilities	12	18,356.04		14,322.73	
b) Provisions		<u>586.54</u>		<u>592.76</u>	
		<u>18,942.58</u>		<u>14,915.49</u>	
Net Current Assets			357.09		4,189.88
Miscellaneous Expenditure to the extent not written off or adjusted	13		—		—
Profit & Loss A/c Debit Balance			12,586.27		8,270.59
Significant Accounting Policies & Notes to Accounts	23				
Total			<u>29,349.08</u>		<u>29,067.51</u>

Schedules referred to above form an integral part of the Balance Sheet

As per our attached Report of even date

For G. BASU & CO.
Chartered Accountants
R. No :- 301174E
S. LAHIRI
Partner (M. No. 051717)
Basu House
3, Chowringhee Approach
Kolkata-700 072

On behalf of the Board of Directors

N DAS Director & Chairman
 — Audit Committee

UDAYAN RAY Managing Director

RAJIVE KAUL Chairman

DEEPAK GUHA Sr. Vice President & CFO

J. S. PAUL
Sr. Vice President
& Co. Secretary

Dated, the 21st day of May, 2010


PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	Schedule	Year ended 31st March, 2010 (Rs. in Lacs)	Year ended 31st March, 2009 (Rs. in Lacs)
REVENUE :			
Sales	14	32,012.80	36,717.19
Less : Excise Duty		1,255.75	2,620.99
Net Sales		30,757.05	34,096.20
Other Income	15	426.91	120.45
Total		31,183.96	34,216.65
EXPENDITURE :			
Cost of Materials	16	22,523.71	20,547.54
Manufacturing Expenses	17	1,192.60	1,461.35
Project Engineering Expenses	18	3,329.30	5,445.23
Expenses on Employees	19	2,711.92	3,180.39
Selling & Administration Expenses	20	3,772.00	5,142.32
Miscellaneous Expenses Written Off		—	6.50
Total		33,529.53	35,783.33
GROSS PROFIT		(2,345.57)	(1,566.68)
Less : Interest	21	2,361.77	2,843.11
CASH PROFIT		(4,707.34)	(4,409.79)
Less : Depreciation	22	773.66	816.64
PROFIT BEFORE TAXATION		(5,481.00)	(5,226.43)
Provision for Taxation/Excess Provision Written Back		—	(113.30)
Profit after Taxation		(5,481.00)	(5,113.13)
Add : Deferred Tax		1,165.32	(133.02)
Profit/(Loss) after Deferred Tax		(4,315.68)	(5,246.15)
Fringe Benefit Tax		—	(45.32)
Profit/(Loss) after Fringe Benefit Tax		(4,315.68)	(5,291.47)
Add : Profit/(Loss) Brought Forward		(8,270.59)	(2,979.12)
Balance carried forward to Balance Sheet		(12,586.27)	(8,270.59)
Earning per Share (Basic)		(4.83)	(5.95)
Earning per Share (Diluted)		(4.83)	(5.95)
Significant Accounting Policies & Notes to Account	23		
Additional Information	24		

Schedules referred to above form an integral part of the Profit & Loss Account

As per our attached Report of even date

For G. BASU & CO.
Chartered Accountants
R. No :- 301174E
S. LAHIRI
Partner (M. No. 051717)
Basu House
3, Chowringhee Approach
Kolkata-700 072

Dated, the 21st day of May, 2010

J. S. PAUL
Sr. Vice President
& Co. Secretary

On behalf of the Board of Directors

N DAS
Director & Chairman
— Audit Committee

UDAYAN RAY
Managing Director

RAJIVE KAUL
Chairman

DEEPAK GUHA
Sr. Vice President & CFO

**CASH FLOW STATEMENT** for the year ended 31st March, 2010

PARTICULARS	(Rs. in Lacs)	
	Year Ended 31.03.2010	Year Ended 31.03.2009
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax & Extra-Ordinary Items	(5,481.00)	(5,226.43)
Adjusted for —		
Depreciation charged to Profit & Loss Account	773.66	816.64
Profit on Sale of Fixed Assets (Net)	(189.30)	(2.16)
Loss on Sale of Investment (Net)	—	1.47
Interest on Investment	—	(0.64)
Dividend on Investment	(14.04)	(14.04)
Miscellaneous Expenditure Written off	—	6.50
Interest Expenses	2,361.77	2,843.11
Sub-Total	<u>2,932.09</u>	<u>3,650.88</u>
Operating Profit before Working Capital Changes	<u>(2,548.91)</u>	<u>(1,575.55)</u>
Changes in Working Capital		
(Increase)/Decrease in Trade and Other Receivables	(452.54)	2,813.33
(Increase)/Decrease in Inventories	136.09	(1,112.12)
Increase/(Decrease) in Trade and other Payable	4,227.90	(459.53)
Net Changes in Working Capital	<u>3,911.45</u>	<u>1,241.68</u>
Cash Generated from Operations	<u>1,362.54</u>	<u>(333.87)</u>
Direct Tax (Net)	(2.23)	(164.89)
Cash Flow before Extra-Ordinary Items	<u>1,360.31</u>	<u>(498.76)</u>
Extra Ordinary Item :		
CASH FLOW FROM OPERATING ACTIVITIES	<u>1,360.31</u>	<u>(498.76)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(33.31)	(82.19)
Sale of Fixed Assets	300.87	5.03
Sale of Investment (Net)	405.01	21.68
Purchase of Investment	—	(10.00)
Interest Received	—	0.64
Dividend Received	14.04	14.04
NET CASH FROM INVESTING ACTIVITIES	<u>686.61</u>	<u>(50.80)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Borrowings (Net)	191.28	3,617.60
Interest Paid	(2,362.58)	(2,975.51)
NET CASH FROM FINANCING ACTIVITIES	<u>(2,171.30)</u>	<u>642.09</u>
NET CHANGES IN CASH/CASH EQUIVALENTS (A+B+C)	<u>(124.38)</u>	<u>92.53</u>
Cash & Cash Equivalents — Opening Balance	382.79	290.26
Cash & Cash Equivalents — Closing Balance	258.41	382.79

NOTES :

- 1) Above statement has been prepared in indirect method except in case of Interest, Dividend and Taxes which have been considered on the basis of actual movement of Cash, with corresponding adjustment in Assets and Liabilities.
- 2) Additions to Fixed Assets are stated inclusive of adjustments between opening and closing balance of Capital Work-in-Progress and are treated as part of Investing activities.
- 3) Cash and Cash Equivalents consist of Cash in hand and balances with Banks.

SCHEDULES REFERRED TO ABOVE FORM AN INTEGRAL PART OF THE BALANCE SHEET

For G. BASU & CO.
Chartered Accountants
R. No :- 301174E
S. LAHIRI
Partner (M. No. 051717)
Basu House
3, Chowringhee Approach
Kolkata-700 072

On behalf of the Board of Directors

N DAS Director & Chairman
 — Audit Committee

UDAYAN RAY Managing Director

RAJIVE KAUL Chairman

DEEPAK GUHA Sr. Vice President & CFO

J. S. PAUL
Sr. Vice President
& Co. Secretary

Dated, the 21st day of May, 2010



SCHEDULES TO THE BALANCE SHEET

	As at 31st March, 2010 (Rs. in Lacs)	As at 31st March, 2009 (Rs. in Lacs)
1. SHARE CAPITAL		
Authorised :		
22,00,000 (22,00,000) 5% Cumulative Redeemable Preference Shares of Rs. 100/- each.	2,200.00	2,200.00
90,90,910 (90,90,910) 6% Optionally Convertible Cumulative Preference Shares of Rs. 22/- each	2,000.00	2,000.00
23,50,00,000 (23,50,00,000) Equity Shares of Rs. 2/- each	4,700.00	4,700.00
Total	<u>8,900.00</u>	<u>8,900.00</u>
Issued and Subscribed :		
21,83,000 (21,83,000) 5% Cumulative Redeemable Preference Shares of Rs. 100/- each	2,183.00	2,183.00
9,43,55,154 (9,06,98,847) Equity Shares of Rs. 2/- each	1,887.10	1,813.98
Add : Forfeited Shares (amount originally paid up)	1.36	1.36
Total	<u>4,071.46</u>	<u>3,998.34</u>
Notes :		
1) Equity Shares subscribed and fully paid-up relate to following issues during earlier financial year/years for consideration other than cash.		
(a) 4,37,85,098 Equity Shares of Rs. 2/- each were issued as fully paid up against reduction of Capital base by Rs. 3,502.81 lacs.		
(b) 4,54,54,545 Equity Shares of Rs. 2/- each were issued as fully paid up against conversion of 6% optionally convertible Cumulative Preference Shares.		
(c) 14,59,204 Equity Shares of Rs. 2/- each were issued as fully paid up to Banks/Financial Institutions/Debenture holders against conversion of their dues.		
2) 21,83,000 5% Cumulative Redeemable Preference Shares of Rs. 100 each were allotted as fully paid up against conversion of loans for consideration other than cash.		
These include :		
A) 18,46,000 Preference Shares (convertible at the option of Preference Shareholders) to be redeemed in three equal annual instalments commencing from April 01, 2014.		
B) 3,37,000 Preference Shares to be redeemed in three equal annual instalments commencing from February 1, 2010.		

**SCHEDULES TO THE BALANCE SHEET (Contd.)**

	As at 31st March, 2010 (Rs. in Lacs)	As at 31st March, 2009 (Rs. in Lacs)
2. RESERVES & SURPLUS		
Capital Reserve		
As per Last Account	3,507.15	3,684.96
Less : Transfer to Profit & Loss Account towards		
-- Depreciation on Revaluation	167.65	177.81
-- On Account of Sale of Assets	<u>(57.94)</u>	<u>—</u>
	<u>3,397.44</u>	<u>3,507.15</u>
 Share Premium Account		
As per Last Account	2,216.78	2,216.78
Addition during the year	<u>126.87</u>	<u>—</u>
	<u>2,343.65</u>	<u>2,216.78</u>
 Capital Redemption Reserve		
As per Last Account	<u>205.00</u>	<u>205.00</u>
	<u>205.00</u>	<u>205.00</u>
 Debenture Redemption Reserve		
As per Last Account	<u>300.52</u>	<u>300.52</u>
	<u>300.52</u>	<u>300.52</u>
Total	<u>6,246.61</u>	<u>6,229.45</u>


SCHEDULES TO THE BALANCE SHEET (Contd.)

	As at 31st March, 2010 (Rs. in Lacs)	As at 31st March, 2009 (Rs. in Lacs)
3. SECURED LOANS		
I. DEBENTURES (Note 1)		
4,74,620 (4,77,120), Secured Redeemable Non-Convertible Debentures of Rs. 100/- each (interest varying between 0%, 5% and 8%) to be redeemed in periodic instalments commencing from and ending on October, 2006 and March 2016 respectively.	474.62	477.12
II. LOANS & ADVANCES FROM BANK (Note 2)		
(A) TERM LOAN	9,571.07	6,177.28
(B) CASH CREDIT	3,340.76	6,698.93
III. A) OTHER LOANS (Note 3)	2,400.96	2,315.01
Note :		
(1) Equitable mortgage of immovable properties ranking pari passu with Term Loans from Banks and Financial Institutions.		
(2) First charge on movable fixed assets ranking pari-passu with other loans & hypothecation of inventories & book debts against first charge apart from encumbrance referred to in '1' above.		
(3) First charge on movable fixed assets ranking pari-passu with term loans of banks, second charge on inventories & debts, exclusive charge on individual assets financed and first charge on dwelling unit & office space apart from encumbrance referred to in '1' above.		
Total	<u>15,787.41</u>	<u>15,668.34</u>
4. UNSECURED LOANS		
Unsecured Loans from others (other than Banks)		
Sales Tax Loans	825.00	825.00
Loan from Companies	2,118.60	2,046.38
West Bengal Govt. Soft Loan	300.00	300.00
Total	<u>3,243.60</u>	<u>3,171.38</u>


SCHEDULES TO THE BALANCE SHEET

5. FIXED ASSETS—AS AT 31ST MARCH, 2010										
(Rs. in Lacs)										
Particulars of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost/Book Value 31.03.2009	Additions	Less: Sold/Discontinued	Cost/Book Value 31.03.2010	Total Provision Upto 31.03.2009	Provided for the Year ended 31.03.2010	Adjustment of depreciation on Assets Sold/Discontinued 31.03.2010	Total to 31.03.2010	As on 31.03.2010	As on 31.03.2009
Land :										
— FreeHold	829.94	—	—	829.94	—	—	—	—	829.94	829.94
— LeaseHold	59.67	—	—	59.67	32.18	2.97	—	35.15	24.52	27.49
Buildings :										
— On Free Hold Land	6,708.85	—	95.65	6,613.20	3,503.40	201.15	58.89	3,645.66	2,967.54	3,205.45
— On Lease Hold Land	853.62	—	—	853.62	350.25	24.75	—	375.00	478.62	503.37
Lift	2.75	—	—	2.75	2.68	0.01	—	2.69	0.06	0.07
Plant and Machinery	16,532.54	19.73	39.30	16,512.97	10,195.76	671.75	25.50	10,842.01	5,670.96	6,336.78
Weigh Bridge	3.22	—	—	3.22	3.06	0.02	—	3.08	0.14	0.16
Weighing Machines	0.91	—	—	0.91	0.89	—	—	0.89	0.02	0.02
Furniture & Fixtures	701.27	10.14	33.82	677.59	599.45	22.78	32.20	590.03	87.56	101.82
Motor Cars/Cycles/ Motor Cycles	144.58	0.37	9.69	135.26	96.45	11.71	8.24	99.92	35.34	48.13
Trucks and Heavy Vehicles	29.20	—	—	29.20	29.16	0.01	—	29.17	0.03	0.04
Railway Sidings	0.39	—	—	0.39	0.38	—	—	0.38	0.01	0.01
Electrical Installations	73.35	—	—	73.35	64.21	0.65	—	64.86	8.49	9.14
Sub-Total (A)	25,940.29	30.24	178.46	25,792.07	14,877.87	935.80	124.83	15,688.84	10,103.23	11,062.42
Intangible Assets Software	27.53	—	—	27.53	4.13	5.51	—	9.64	17.89	23.40
Sub-Total (B)	27.53	—	—	27.53	4.13	5.51	—	9.64	17.89	23.40
Total (A+B)	25,967.82	30.24	178.46	25,819.60	14,882.00	941.31	124.83	15,698.48	10,121.12	11,085.82
Capital Work-in-Progress (Tangible Fixed Assets)	16.55	24.85	21.78	19.62	—	—	—	—	19.62	16.55
Sub-Total (C)	16.55	24.85	21.78	19.62	—	—	—	—	19.62	16.55
Grand Total (A+B+C)	25,984.37	55.09	200.24	25,839.22	14,882.00	941.31	124.83	15,698.48	10,140.74	11,102.37
Previous Year	25,931.05	122.60	69.28	25,984.37	13,913.54	994.44	25.98	14,882.00	11,102.37	

Notes : i) Building includes Rs. 0.68 on account of a flat on time sharing basis.
 ii) Fixed Assets include assets (Plant & Machinery, Motor Vehicles and Computers) costing Rs. 2,761.57 (Rs. 2,768.26) acquired under Hire Purchase against which Rs. 16.66 (Rs. 58.32) being the balance due as on 31.03.2010.

SCHEDULES TO THE BALANCE SHEET

6. INVESTMENTS								
Particulars	As at 31st March, 2009		Purchased/Acquired/Adjusted during the year ended 31.03.10		Sold/Redeemed/Adjusted during the year ended 31.03.10		As at 31st March, 2010	
	Face Value	Cost	Face Value	Cost	Face Value	Cost	Face Value	Cost
	(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
LONG TERM								
QUOTED : (TRADE)								
(A) Nicco Uco Alliance Credit Limited (Formerly Nicco Uco Financial Services Ltd.) 70,58,524 fully paid equity shares of Rs. 10/- each	705.85	812.25	—	—	—	—	705.85	812.25
(B) Nicco Parks & Resorts Ltd. 11,70,000 fully paid equity shares of Rs. 10/- each	117.00	120.50	—	—	—	—	117.00	120.50
UNQUOTED (Other Than Trade)								
(A) Govt. & Trust Securities :								
(i) National Savings Certificate	0.02	0.02	—	—	—	—	0.02	0.02
(B) Shares of Other Companies : (Trade)								
(i) Nicco Financial Services Ltd. 3,80,714 fully paid equity shares of Rs. 10/- each	38.07	25.94	—	—	—	—	38.07	25.94
(ii) National Pipes & Tubes Co. Ltd. (in liquidation) 40,000 fully paid equity shares of Rs. 10/- each	4.00	—	—	—	—	—	4.00	—
(iii) BDA-Nicco Parks & Resorts Ltd. 20,000 fully paid equity shares of Rs. 10/- each	2.00	2.00	—	—	—	—	2.00	2.00
(iv) Nicco Ventures Limited 9,19,550 fully paid equity shares of Rs. 10/- each	91.96	91.96	—	—	—	—	91.96	91.96
(C) Investment in Subsidiaries :								
(i) Nicco Engineering Services Limited (Subsidiary Company) 56,25,375 (56,25,375) equity shares of Re. 1/- (Rs. 10/-) each	562.52	450.01	—	—	506.27	405.01	56.25	45.00
(ii) Nicco Biotech Limited 72,00,000 fully paid equity shares of Rs. 10/- each	720.00	720.00	—	—	—	—	720.00	720.00
5,50,000 fully paid 0% redeemable preference shares of Rs. 100/- each	550.00	550.00	—	—	—	—	550.00	550.00
(iii) N E Cables Limited 49,930 fully paid equity shares of Rs. 10/- each	4.99	4.99	—	—	—	—	4.99	4.99

SCHEDULES TO THE BALANCE SHEET (Contd.)

6. INVESTMENTS									
	Particulars	As at 31st March, 2009		Purchased/Acquired/Adjusted during the year ended 31.03.10		Sold/Redeemed/Adjusted during the year ended 31.03.10		As at 31st March, 2010	
		Face Value	Cost	Face Value	Cost	Face Value	Cost	Face Value	Cost
		(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)	(Rs. in Lacs)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
(D) Debentures : (Trade)									
(i) 90,500 (90,500) Redeemable Non-Convertible Debentures of Rs. 100/- each of Nicco Financial Services Ltd.	90.50	90.50	—	—	—	—	90.50	90.50	
Total	2,886.91	2,868.17	—	—	506.27	405.01	2,380.64	2,463.17	
Less : Provision for Diminution	—	709.20	—	—	—	—	—	709.20	
Total		2,158.97						1,753.96	

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Notes :

Particulars	31st March, 2009		31st March, 2010	
	Book Value (Rs. in Lacs)	Market Value (Rs. in Lacs)	Book Value (Rs. in Lacs)	Market Value (Rs. in Lacs)
1. Aggregate of Quoted Investments	223.55	549.00	223.55	797.88
2. Aggregate of Unquoted Investments	1,935.42	—	1,530.42	—

- National Savings Certificates are lodged with a customer by way of security.
- Shares held at Nicco Ventures Limited (9,19,550 fully paid equity shares of Rs. 10/- each), Nicco Biotech Limited (72,00,000 fully paid equity shares of Rs. 10/- each & 5,50,000 fully paid 0% redeemable preference shares of Rs. 100/- each) and Nicco Parks & Resorts Ltd. (11,70,000 fully paid equity shares of Rs. 10/- each), Nicco Engineering Services Ltd. (56,25,303 fully paid Equity Shares of Re. 1/- each) and NE Cables Ltd. (49,930 fully paid Equity Shares of Rs. 10/- each) are pledged with Banks.
- Pursuant to the resolution passed by the Board of Directors of Nicco Engineering Services Limited (NESL), a wholly owned subsidiary company of Nicco Corporation Limited, followed by the order of Hon'ble High Court of Kolkata dated 06.04.2009 ratifying the capital reduction proposal to the extent of Rs. 9/- per share the resultant reduced value of the shares of NESL being Re. 1/- per share and excess capital of Rs. 9/- per share amounting to Rs. 506.28 lacs thus refunded is adjusted in the investment account of the Company, the differential amount over the cost in this regard is recognised as extra ordinary item on surrender of value of shares.


SCHEDULES TO THE BALANCE SHEET (Contd.)

	As at 31st March, 2010 (Rs. in Lacs)	As at 31st March, 2009 (Rs. in Lacs)
7. INVENTORIES		
Raw Materials	656.93	441.55
Work-in-Progress	2,069.48	862.59
Finished Goods	188.16	40.44
Scrap	36.58	9.03
Finished Goods Purchased	3.55	2.34
Work-in-Progress for Turnkey Projects & Engg. Services	1,060.68	2,802.86
Stores & Spares	240.58	233.24
Total	<u>4,255.96</u>	<u>4,392.05</u>
8. SUNDRY DEBTORS (Unsecured)		
Debts Outstanding for a period exceeding six months		
Considered Good	4,526.47	4,939.01
Considered Doubtful	144.15	49.07
	<u>4,670.62</u>	<u>4,988.08</u>
Less : Provision for Doubtful Debts	144.15	49.07
	<u>4,526.47</u>	<u>4,939.01</u>
Other Debts :		
Considered Good	8,031.22	6,266.95
Total	<u>12,557.69</u>	<u>11,205.96</u>
9. CASH & BANK BALANCES		
Cash in Hand	12.55	8.33
Remittance in Transit	2.00	5.25
With Scheduled Banks in :		
- Current Account	197.18	251.36
- Margin Deposits Account	46.68	117.85
Include Rs. 38.68 Lacs (117.85 Lacs) pledged to Banks and Rs. 10 Lacs (NIL) pledged to others		
Total	<u>258.41</u>	<u>382.79</u>
10. OTHER CURRENT ASSETS (Unsecured Considered Good)		
Insurance Claims Receivable	—	—
Other Receivables	152.04	97.46
Total	<u>152.04</u>	<u>97.46</u>

**SCHEDULES TO THE BALANCE SHEET (Contd.)**

	As at 31st March, 2010 (Rs. in Lacs)	As at 31st March, 2009 (Rs. in Lacs)
11. LOANS & ADVANCES		
(UNSECURED, CONSIDERED GOOD)		
Advances Recoverable in cash or in kind or for value to be received (Net of Provisions Rs. 7.86 Lacs, Previous Year Rs. 10 Lacs)	805.47	1,664.18
Advance Income Tax including Tax Deducted at Source Net of Provision Rs. 530.44 Lacs (Rs. 530.44 Lacs)	483.41	481.18
Balance with Port Trust, Customs and Other Govt. Department	474.11	617.81
Deposit with Others	312.58	263.94
Total	<u>2,075.57</u>	<u>3,027.11</u>
12. CURRENT LIABILITIES & PROVISIONS		
(a) Current Liabilities		
Sundry Creditors for Goods, Services, Expenses etc.	13,707.42	9,362.39
- Micro & Small Enterprises under MSMED Act, 2006	372.26	506.13
Other Liabilities	1,309.53	1,636.32
Due to Subsidiaries	195.96	207.46
Advance from Customers	2,636.41	2,406.50
Interest Accrued but not due on Loans, Deposits etc.	0.06	0.87
Advance against Equity Shares	134.00	200.00
Investor Education and Protection Fund shall be credited by following amounts namely : Unclaimed Matured Fixed Deposit	0.40	3.06
Total	<u>18,356.04</u>	<u>14,322.73</u>
(b) Provisions		
Gratuity	254.28	273.26
Leave Encashment	183.00	186.72
Superannuation Benefits	149.26	132.78
Total	<u>586.54</u>	<u>592.76</u>
	<u>18,942.58</u>	<u>14,915.49</u>
13. MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
Payment under Voluntary Retirement Scheme		
Brought forward	—	6.50
Add : Expenses during the period/year	—	—
	—	6.50
Less : Written off during the period/year	—	6.50
Total	—	—



SCHEDULES TO PROFIT AND LOSS ACCOUNT

	Year ended 31st March, 2010 (Rs. in Lacs)	Year ended 31st March, 2009 (Rs. in Lacs)
14. SALES		
Sale of Finished Goods including Income from Other Works & Consultancy Fees	32,012.80	36,717.19
Total	<u>32,012.80</u>	<u>36,717.19</u>
15. OTHER INCOME :		
Income from House Property (Gross of TDS—Rs. 3.68 Lacs, Previous Year Rs. 8.79 Lacs)	66.36	63.21
Dividend from Trade Investments (Long Term)	14.04	14.04
Interest on Long Term Investments (Other than Trade)	—	0.64
Gain from Investment in Subsidiaries	101.28	—
Profit on Sale of Fixed Assets	189.30	2.16
Profit on Sale of Current Investments (Other than Trade)	—	0.05
Miscellaneous Receipts	34.91	5.57
Interest on Fixed Deposit with Banks	19.31	0.77
Gain on Foreign Exchange	1.71	34.01
Total	<u>426.91</u>	<u>120.45</u>
16. COST OF MATERIALS :		
Raw Materials :		
Opening Stock	441.55	438.36
Add : Purchases	12,993.92	14,706.19
	<u>13,435.47</u>	<u>15,144.55</u>
Less : Closing Stock of Raw Materials	656.93	441.55
Raw Materials Consumed	12,778.54	14,703.00
Add : Purchase of Finished Goods	1,082.28	2,052.94
Add : Purchase of Comp. For Turnkey Projects & Engg. Services	8,304.08	5,303.55
Sub Total (A)	<u>22,164.90</u>	<u>22,059.49</u>
Adjustment of Closing & Opening Stock :		
Closing Stock :		
Work-in-Progress for Turnkey Projects & Engg. Services	1,060.68	2,802.86
Finished Goods	188.16	40.44
Purchased Finished Goods	3.55	2.34
Scrap Stock	36.58	9.03
Work-in-Progress	2,069.48	862.59
	<u>3,358.45</u>	<u>3,717.26</u>
Opening Stock :		
Work-in-Progress for Turnkey Projects & Engg. Services	2,802.86	1,007.86
Finished Goods	40.44	137.90
Purchased Finished Goods	2.34	5.84
Scrap Stock	9.03	16.04
Work-in-Progress	862.59	1,037.67
	<u>3,717.26</u>	<u>2,205.31</u>
(Accretion)/Decretion (B)	358.81	(1,511.95)
Total (A+B)	<u>22,523.71</u>	<u>20,547.54</u>
17. MANUFACTURING EXPENSES :		
Power & Fuel	550.30	606.47
Stores & Spares Consumed	154.10	188.05
Packing Materials Consumed	277.08	325.35
Repairs—Plant & Machinery	57.36	107.90
Repairs—Building	18.14	31.37
Repairs—Others	13.74	17.69
Fabrication Charges	92.01	120.23
Carriage and Handling Charges	29.87	64.29
Total	<u>1,192.60</u>	<u>1,461.35</u>

**SCHEDULES TO PROFIT AND LOSS ACCOUNT (Contd.)**

	Year ended 31st March, 2010 (Rs. in Lacs)	Year ended 31st March, 2009 (Rs. in Lacs)
18. PROJECT ENGINEERING EXPENSES :		
Site Expenses	13.28	14.07
Design & Engineering	37.23	371.91
Fabrication Charges	423.34	1,118.10
Erection Charges	1,342.17	777.45
Civil Sub-contracting Charges	1,056.68	2,436.73
Loss on Foreign Exchange	0.71	—
Other Expenditure on Contract	243.01	397.82
Sales Tax & Commercial Tax	212.88	329.15
Total	<u>3,329.30</u>	<u>5,445.23</u>
19. EXPENSES ON EMPLOYEES :		
Salaries, Wages, Bonus & Gratuity	2,254.85	2,577.97
Contributions to Provident & Other Funds	167.31	175.27
Workmen & Staff Welfare	289.76	427.15
Total	<u>2,711.92</u>	<u>3,180.39</u>
20. SELLING & ADMINISTRATION EXPENSES :		
Freight and Transport	434.03	656.27
Insurance	140.20	162.77
Rent	82.18	103.39
Rates & Taxes	25.94	32.42
Consultancy Fees	158.28	356.17
Commission on Domestic Sales	67.89	111.84
Cash Discount	61.86	53.46
Travelling & Conveyance	403.59	542.36
Brokerage	0.13	—
Auditor's Remuneration :		
Audit Fees	5.52	5.62
Taxation Matters	1.10	1.12
Other Matters	6.19	6.20
Directors' Fees	6.24	4.96
Bank Charges	761.07	775.65
Advertisement	3.99	5.81
Provision for Doubtful Debts & Advance	95.08	10.00
Bad Debts Written Off	738.91	1,258.91
Bad Advances Written Off	—	75.18
Repairs to Office Building	4.56	5.43
Repairs — Others	15.85	16.18
Loss on Sale of Long Term Investment (Other than Trade)	—	1.52
Miscellaneous Expenses	759.39	957.06
Total	<u>3,772.00</u>	<u>5,142.32</u>
21. INTEREST		
On Fixed Loans	1,705.55	1,777.17
On Others	656.22	1,065.94
Total	<u>2,361.77</u>	<u>2,843.11</u>
22. DEPRECIATION :		
Depreciation for the year	941.31	994.45
Less : Transferred from Capital Reserve	167.65	177.81
Total	<u>773.66</u>	<u>816.64</u>

SCHEDULES TO THE BALANCE SHEET (Contd.)

23. SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS :

A. ACCOUNTING POLICIES

The Accounts of the company are prepared on going concern assumption under the historical cost convention (modified from time to time for revaluation of assets) and on accrual basis, in accordance with the applicable Accounting Standards except where otherwise stated.

(a) (i) FIXED ASSETS: (Tangible)

- (i) Fixed Assets (except Free hold Land) are valued at cost (net of CENVAT) less depreciation/amortization and impairment loss, if any, except for those revalued which are presented in terms of revalued figures—net of depreciation thereon and impairment loss, if any.
Land is valued at cost which includes expense on account of development.
- (ii) Assets acquired under Hire Purchase are shown under fixed assets and are depreciated at the rate specified under Schedule XIV of the Companies Act, 1956.
- (iii) Cost includes purchase price, finance charges in case of major expansion or modernisation and other attributable expenses for bringing the Assets to their working condition for the intended use, duly certified by the engineers of the concerned departments.

(ii) FIXED ASSETS : (Intangible)

Intangible fixed assets i.e., software is carried at actual cost of acquisition including cost incidental thereon—net of amortisation.

(b) DEPRECIATION

1. Depreciation is considered at the rates and in the manner specified under schedule XIV of the Companies Act, 1956 as under:
 - (i) Straight Line Method at Kalyani, Baripada divisions and Plant & Machinery in other divisions.
 - (ii) Written down Value Method at other divisions in case of other assets.
2. Depreciation on continuous process plants is considered at the rates specified under Schedule XIV of the Companies Act, 1956 under straight line method.
3. Depreciation on addition/deletion during the year is charged on pro rata basis from the date of such addition/deletion.
4. In respect of revalued depreciable assets, the differential depreciation on the amounts added on revaluation is set off against Revaluation Reserve forming part of Capital Reserve.
5. Depreciation on increase in value of assets arising out of variations in the exchange rates, is charged prospectively over the remaining life of the assets.
6. Leasehold land is amortised over the period of lease.
7. Intangible fixed assets i.e., software is amortised over a period of 5 years on straight line basis since the date of bringing the same in use.

(c) IMPAIRMENT OF FIXED ASSETS

Exigency of provisions, if any, for impairment loss has been assessed in the context of Cash Generating Units (CGU) in due cognizance of indications thereof based on external/internal sources of information. Impairment loss is provided against short fall of recoverable value of CGU's vis-a-vis written down value of corresponding fixed assets. Recoverable value is the higher of value in use and net selling price of the fixed assets relevant to a CGU. Value in use when found to exceed the written down value of fixed assets of CGU, the exercise of further ascertaining net selling price therefor has been done away with.

(d) INVENTORIES

All items of inventories are valued at lower of cost and net realisable value except for scrap which is considered at estimated net realisable value.

Cost includes all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

The basis of determining cost for different categories of inventories:

- (a) Stores, Raw Materials and Packaging Materials—Weighted average basis.
- (b) Work-in-Progress and Finished Goods—Material cost and appropriate share of production overhead.
- (c) Purchased Goods—Purchase price.

(e) INVESTMENTS

Long term investments are stated at cost less provision, if any, against permanent diminution in carrying cost of investment. Current investments are carried at lower of cost and Net Asset Value/market price.

(f) REVENUE RECOGNITION

1. Sales and services are accounted for when the sale of goods or services are completed on accrual basis. Sales is net of Sales Tax/VAT but gross of excise duty.
2. All items of income and expenses are recognized on accrual basis unless stated otherwise.
3. Export benefits are accounted for on the basis of realization.

**SCHEDULES TO THE BALANCE SHEET (Contd.)****(g) RECOGNITION OF PROFIT ON LONG TERM CONTRACTS:**

Contract revenue and Contract costs are recognized as revenue and expenses respectively by reference to the stage of completion of contract activity up to the date of balance sheet unless when construction contract stage can be estimated reliably. Expected loss on construction contract, based on possibility of total cost of construction exceeds contract revenue, is recognized as an expense. Stage of completion is arrived at on the basis of agreed billing schedule vis-a-vis total contract value.

(H) TRANSACTIONS IN FOREIGN CURRENCIES

Foreign currency assets and outside liabilities (other than fixed assets and those covered by forward contracts) as on the Balance Sheet date are converted at the year end exchange rates and loss or gain arising thereon, is adjusted in the carrying amount of fixed assets or charged to Profit & Loss Account, as the case may be. Transactions in foreign currencies other than those covered by forward contracts, are recorded at the rate prevailing on the date of transaction. Impact of exchange fluctuation between the date of the transaction and that of payment is accounted for separately as exchange gain or loss.

(i) RETIREMENT BENEFITS**(i) Defined Contribution Plan—**

Provident Fund, Employees Pension and Employees State Insurance are provided on accrual basis. The accrued amount being deposited to the respective Trust/Authority.

(ii) Defined Benefit Plan—

Gratuity, Leave Salary and Superannuation benefit form part of defined benefit plan schemes existing in the company.

The above benefits have been accounted for on the basis of actuarial computation under unit projected cost method in terms of AS-15 as revised by ICAI.

(iii) Short Term Benefit Plan—

Benefits payable within a year have been accounted for on accrual basis in terms of non discounted value.

(j) GOVERNMENT GRANTS

Revenue grants are recognised in the Profit and Loss Account. Capital grants are credited to Capital Reserves.

(k) RESEARCH AND DEVELOPMENT EXPENSES

Research and Development Expenditure is charged to Profit & Loss Account in the year of incurrence.

(l) CUSTOM DUTY

Custom duty payable on imported goods landed but not cleared are accounted for at the time of clearance of imported goods through customs.

(m) CONTINGENT LIABILITIES

Where there is reliably estimable amount of present obligation that warrant to be settled as a result of past event with possible outflow of resources embodying economic benefit, provision is recognised in account therefor.

Otherwise no provision is made against contingent liabilities which are disclosed in notes to accounts.

(n) MISCELLANEOUS EXPENDITURE

Preliminary expenses are written off in the year in which they are incurred.

Share issue expenses and payment made towards Voluntary Retirement Scheme are written off over a period of 60 months in equal installments.

(o) TAXATION

Income Tax is provided as per provisions of Income Tax Act, 1961. Deferred tax is recognized only at year end subject to consideration of prudence on timing difference being the difference between the taxable income and accounting income that originate in one year and capable of reversal in one or more subsequent period/periods.

(p) INTEREST IN JOINT VENTURE

Income, Expenses and stake in venture the Company has undertaken with a third party have been accounted for in terms of AS-27 issued by ICAI.

(q) GENERAL

Items of income, expenses, assets and liabilities not being specifically referred to herein are accounted for consistently in terms of generally accepted accounting practices in due adherence of Accounting Standards issued by ICAI and in it's absence those issued under International Accounting Standards.

SCHEDULES TO THE BALANCE SHEET (Contd.)**B. NOTES TO ACCOUNTS****(Figures have been stated in Rs. Lacs)**

- (l) Contingent liabilities not being provided for include:
- (a) Counter guarantees aggregating Rs. 12303.18 Lacs (Rs. 12312.20 Lacs) provided to the bankers against guarantees issued by them. There is hardly any possibility of cash outflow.
 - (b) Bills discounted Rs. 1045 Lacs (Rs. 343.34 Lacs) — possibility of cash outflow is remote.
 - (c) (i) Demands aggregating Rs. 0.24 Lacs (Rs. 0.24 Lacs) raised by Central Excise Authority during 1977 and 1978 were contested as not payable. The Company was subsequently advised to pay Rs.13.14 Lacs (Rs.13.14 Lacs). But the excise authorities continued claiming the full amount. The claim was stayed by the Calcutta High Court by its order dated 15th May 1992. Based on the merit of the case, a favourable judgment is expected. The possibility of future cash outflow against the claim is remote and no provision for the deposit has been made for the outflow.
 - (ii) Other claims of central excise authority not admitted Rs. 660.43 Lacs (Rs. 396.58 Lacs) and Service Tax authority Rs. 79.76 Lacs (Rs. 79.76 Lacs) in respect of which no reliable payment obligation can be estimated and as such it is also not possible to assess the impact on future cash outflow.
 - (iii) Disallowance on six numbers central excise cases amount involving Rs. 6.59 Lacs (Rs. 2.43 Lacs) and disallowance on three numbers of service tax cases amounting to Rs. 13.52 Lacs (Rs. 13.52 Lacs). The above cases are being agitated before the appropriate authority through appeals and no cash outflows are envisaged as of now.
- (d) Income tax demand of Rs. 27.59 Lacs (Rs. 27.59 Lacs) pertaining to Assessment Year 92-93 is pending in appeal at Orissa High Court. Going by merit of the case, possibility of future cash outflow seems remote.
- (e) Sales Tax Demands
- (i) On account of reassessment from 01/04/98 to 31/03/01, demand of Rs.258.44 Lacs (Rs.258.44 Lacs) which has been stayed by Orissa High Court on deposit of Rs. 66.44 Lacs (Rs. 66.44 Lacs). Favourable judgment is expected from Hon'ble Court. Going by the merit of the case possibility of any future cash outflow seems remote. No provision is made due to above reason.
 - (ii) On account of assessment for years 2001-02 & 2002-03 demand aggregates to Rs. 83.75 Lacs (Rs. 83.75 Lacs) were raised. The case for the year 2001-02 involving demand of Rs. 12.14 Lacs (Rs. 12.14 Lacs) under appeal with Assistant Commissioner of Sales Tax, Orissa has been stayed against deposit of Rs. 2.50 Lacs (Rs. 2.50 Lacs). In respect of assessment year 2002-03 involving demand of Rs. 71.61 Lacs (Rs. 71.61 Lacs), the same has been stayed by Commissioner of Sales Tax, Orissa against deposit of Rs. 18 Lacs (Rs. 18 Lacs). Going by the merit of the case, possibility of any future cash outflow seems remote. No provision has been made for the outflow.
 - (iii) Rs. 33.40 Lacs (Rs. 33.40 Lacs) has been claimed by the Sales Tax Officer, Baripada in respect of assessment of sales tax for the year 2003-04 which has been disputed by the Company. In this connection stay has been granted by Asst. Commissioner of Commercial Tax against payment of Rs. 0.23 Lacs (Rs. 0.23 Lacs) which has been accounted for as Loans and Advances. Going by the merit of the case, possibility of future cash outflow seems remote. No provision has been made due to above reason.
 - (iv) Rs. 56.74 Lacs (Rs. 56.74 Lacs) has been claimed by the Sales Tax Officer, Baripada, Orissa on assessment of Sales Tax for the year 2004-2005 which has been reduced to Rs. 10.60 Lacs. In respect of such claims a stay petition has been granted by Commissioner of Commercial Tax against payment of Rs. 18 Lacs (Rs. 18 Lacs) which has been accounted for as Loans and Advances. Going by merit of the case, the possibility of future cash outflow seems remote. No provision has been made.

SCHEDULES TO THE BALANCE SHEET (Contd.)

- (v) Estimated amount of contingent liability on account of sales tax amount of Rs. 475.29 Lacs (Rs. 475.29 Lacs) arising out of demands not admitted by the Company and for which appeal have been filed with the appropriate authorities as the Company is of the opinion that the disputes will be resolved in its favour. Going by the merit of the case, possibility of any future cash outflow seems remote no provision for the deposit has been made for the outflow.
- (vi) (a) Rs. 115.97 Lacs (Rs. 115.97 Lacs) has been claimed by the Asst. Commissioner of Commercial Tax, Balasore, on assessment of Sales Tax for the year 2005-06 which has also been disputed by the Company. In respect of such claims payment of Rs. 35 Lacs (Rs. 35 Lacs) has been made. This has been accounted for as Loans and Advances till 31st December, 2008.
- (b) Rs. 21.89 Lacs (Rs. 21.89 Lacs) has been claimed by the Asst. Commissioner of Commercial Tax, Balasore, on assessment of Entry Tax for the year 2005-06 which has also been disputed by the Company. In respect of such claims payment of Rs. 5.50 Lacs (Rs. 5.50 Lacs) has been made. This has been accounted for as Loans and Advances till 30th June, 2008. Going by the merit of the cases, possibility of any future cash outflow in respect of both the demand seems remote. No provision has been made due to above reason.
- (c) Rs. 106.50 Lacs (Rs. 106.50 Lacs) has been claimed by the Asst. Commissioner of Commercial Tax, Balasore, on assessment of Entry Tax for the year 2006-07 which has also been disputed by the Company. In respect of such claims stay appeal is pending against deposit of Rs. 15.00 Lacs. Going by merit of the case, the possibility of future cash outflow in this regard seems remote.
- (d) Rs. 11.38 Lacs (Rs. 11.38 Lacs) has been claimed by the Asst. Commissioner of Commercial Tax, Balasore, on assessment of Entry Tax for the year 2006-07 which has also been disputed by the Company. In respect of such claims stay appeal is pending against deposit of Rs. 0.76 Lacs. Going by merit of the case, the possibility of future cash outflow in this connection seems remote.
- (f) Arbitration award for Rs. 45.23 Lacs (Rs. 45.23 Lacs) in favour of the Indian Railways which has been stayed by the Allahabad District Court. Moreover, invocation of the performance guarantee has been stayed till disposal of the Company's petition against the award. Since disposal of the petition is being delayed, a writ petition through Allahabad High Court is being moved for speedy disposal of the petition. No reliable estimate can be made for the amount of obligation, if any, with possible impact thereof on future cash outflow.
- (g) Advances recoverable in cash or in kind or for value to be received include Rs. 96.85 Lacs (Rs. 96.85 Lacs) pertaining to a guarantee invoked by a customer. The action of the customer was challenged in High Court, Ranchi and was favourably disposed of in favour of the Company. But the customer has taken up the matter to Supreme Court. Supreme Court advised to expedite completion of arbitration filed by the Company. The arbitration award was also issued in favour of the Company. The Company has now filed application for execution of award.
- (h) ONGC has invoked performance guarantee for Rs. 438 Lacs furnished by bank on behalf of the Company following dispute between the Company and ONGC management concerning execution of a contract. The Company has contested action of ONGC in Hon'ble High Court, Kolkata on the ground of unilateral action deliberately undertaken to thwart the progress of execution of contract for latter's own reason. Based on legal opinion, suggestive of merit of the case in company's favour, no provision has been made against the amount involved under bank guarantee invoked (including payments already made to bank) and dues from ONGC against relevant contract. The High Court now referred the matter to arbitration.



SCHEDULES TO THE BALANCE SHEET (Contd.)

(II) Contingent liabilities provided for in terms of AS 29 issued by ICAI.

a) Particulars	Opening Provision	Provisions made during the year	Provisions withdrawn during the year	Closing Provision	Forum where the dispute is pending
Provision for doubtful advance	10.00	Nil	Nil	10.00	Kerala High Court
b) Following dispute between Company and Kerala State Electricity Board, the latter has encashed the Performance Guarantee issued by bank in favour of the Company. The action of customer has been challenged by the Company in Kerala High Court.					

(III) Sales of finished goods is net of claims etc. relating to earlier periods settled in the current period.

(IV) Sales include sale of manufacturing scrap Rs. 421.09 Lacs (Rs. 692.16 Lacs).

(V) Deferred Tax :

Recognition of deferred tax asset is attributed to management affirmation of virtual certainty of future profit considering inter alia, CDR approval of company's revival scheme.

	(Rs. in Lacs)	
	As at 31st March, 2010	As at 31st March, 2009
(a) Deferred Tax Assets		
Loss	5,833.81	4,839.24
Employee related dues	199.37	201.48
Sub Total (A)	6,033.18	5,040.72
(b) Deferred Tax Liability (Depreciation)	1,522.16	1,695.02
Net Deferred Tax	4,511.02	3,345.70
(c) Deferred Tax Liability/(Asset) recognised for the year	(1,165.32)	133.02

Deferred tax assets include part of carry forward loss disallowed, in assessment but pending in appeal on the ground of management assertion of virtual certainty of admissibility of loss in due course based on merits of the case.

(VI) (a) Parties under MSMED Act, 2006 including the category they belong to, have being identified on the basis of information from respective parties responses.

(b) Particulars of due to creditors registered under MSMED Act, 2006 are given hereunder

Particulars	2009-10		
	Principal	Interest	Total
1. The Principal amount and the interest due thereon (to be shown separately) remaining unpaid to any suppliers as at the end of each accounting year	336.73	35.52	372.25
2. Amount of interest paid by the Buyer in terms of Sec 16 of MSMED Act 2006, along with the payment made to the supplier beyond the appointed day during each Accounting year	—	NA	—
3. The amount of Interest due and payable for the period of delay in making payment but without adding the interest under MSMED Act 2006	—	8.77	8.77
4. The amount of Interest accrued and remaining unpaid at the end of each Accounting year	—	44.29	44.29
5. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	—	8.94	8.94

SCHEDULES TO THE BALANCE SHEET (Contd.)
(VII) Segment Report : (Pursuant to AS 17 issued by ICAI)

The business segments have been identified based on the nature of products of the Company and accordingly Cable segment as a business segment for Power Cables and Project as a segment for Turnkey Engineering Projects have been identified.

a) Primary Segment

32,012.80

Rs. in Lacs

		Cable Operation	Project	Unallocated *	Total
SEGMENT REVENUE					
(a) External sales		20,114.27	11,898.53	—	32,012.80
	PY	26,598.14	10,119.05	—	36,717.19
(b) Inter Segment Sales		—	—	—	—
	PY	—	—	—	—
(c) Total Revenue		20,114.27	11,898.53	—	32,012.80
	PY	26,598.14	10,119.05	—	36,717.19
Less : Excise		1,255.75	—	—	1,255.75
	PY	2,620.99	—	—	2,620.99
Net Sales		18,858.52	11,898.53	—	30,757.05
	PY	23,977.15	10,119.05	—	34,096.20
SEGMENT RESULT					
Gross Profit Before Interest & Depreciation		788.72	(2,635.74)	(498.55)	(2,345.57)
	PY	384.37	(647.93)	(1,303.12)	(1,566.68)
Depreciation		553.12	22.81	197.73	773.66
	PY	572.72	25.32	218.61	816.65
Profit & Loss after Depreciation		235.60	(2,658.54)	(696.28)	(3,119.23)
	PY	(188.35)	(673.25)	(1,521.73)	(2,383.33)
Interest		1,848.27	512.77	0.73	2,361.77
	PY	2,397.11	368.15	77.85	2,843.11
Current Tax, Deferred Income Tax and Fringe Benefit Tax		—	—	—	1,165.32
	PY	—	—	—	(65.04)
Net Profit from ordinary activities		—	—	—	(4,315.68)
	PY	—	—	—	(5,291.47)
Add : Extra Ordinary Income (Waiver of Banks/FI's Dues)		—	—	—	—
	PY	—	—	—	—
Net Profit		—	—	—	(4,315.68)
	PY	—	—	—	(5,291.47)
Segment Asset		16,038.54	8,968.87	7,300.13	32,307.54
	PY	16,818.23	7,360.01	8,027.00	32,205.24
TOTAL ASSET (Note 2)		—	—	—	32,307.54
	PY	—	—	—	32,205.24
Segment Liability		12,881.26	8,185.52	3,852.64	24,919.42
	PY	11,365.00	6,453.55	7,264.00	25,082.55
TOTAL LIABILITIES		—	—	—	24,919.42
	PY	—	—	—	25,082.55
CAPITAL EXPENDITURE DURING THE PERIOD		4.83	1.49	26.99	33.31
	PY	38.16	43.33	0.70	82.19
Non Cash Expenditure		—	—	—	—
	PY	—	—	6.50	6.50

* Relates to unallocated segment.

- Note : 1. Liabilities do not include long term loans.
 2. Revaluation Reserve has been left out of the purview of the Total Asset.
 3. Unallocated segment results inter alia include the following of the erstwhile Kalyani unit not presently in operation :
- Expenses of Rs. Nil Lacs (Rs. 6.50 Lacs), interest Rs. Nil Lacs (Rs. Nil Lacs) and depreciation of Rs. 173.99 Lacs (Rs. 191.00 Lacs).
 - Segment Assets amounting to Rs. 1,338 Lacs (Rs. 1,512 Lacs)
 - Segment Liability amounting to Rs. 25 Lacs (Rs. 25 Lacs) — Current Liabilities.
 - PY relates to previous year.
- b) Geographical Segment (Secondary Segment)
- | | |
|----------------|--------------------|
| Domestic Sales | Rs. 31,994.08 Lacs |
| Export Sales | Rs. 18.72 Lacs |



SCHEDULES TO THE BALANCE SHEET (Contd.)

(VIII) Information on Related parties pursuant to AS 18 issued by ICAI

Related Party disclosures :

(I) Related Parties where control exists :		
	Nicco Engineering Services Ltd. (Subsidiary)	
	Nicco Biotech Ltd. (Subsidiary)	
	NE Cables Ltd. (Subsidiary)	
	Nicco Cables Limited (Subsidiary)	
(II) Other related parties in transaction with the Company		
(a) Associates		
	Nicco Ventures Ltd. (Formerly Nicco Internet Ventures Ltd.)	
	Nicco Financial Services Ltd.	
	Nicco Parks & Resorts Ltd.	
(b) Nicco Institute of biotechnology (NERT) - Trust		
		Significant control exists
(c) Key Management Personnel (KMP)		
	Mr. Rajive Kaul	Chairman
	Mr. Udayan Ray	Managing Director
	Mr. Sanjoy Bhattacharya	Director upto 30.09.09
(d) Relative of KMP's		
	Mr. Shiv Siddhant Narayan Kaul	Director
	Ms. Pallavi Priyadarshini Kaul	Director

The following transactions were carried out with related parties in the ordinary course of business.

Subsidiary, Joint Ventures & Associates and Key Management personnel

	Rs. in Lacs		Rs. in Lacs		Rs. in Lacs	
	31.03.10	31.03.09	31.03.10	31.03.09	31.03.10	31.03.09
	Subsidiary Companies		Associates/ Significant Influence		Key Management Personnel	
Purchase of goods - NESL	Rs. 2.22	Rs. 43.14	—	—	—	—
Remuneration For rendering of services	—	—	—	—	Rs. 62.90	Rs. 81.25
- NESL	Rs. 54.90	Rs. 19.83	Rs. 0.59	Rs. 0.91	—	—
- NPRL	—	—	—	Rs. 0.43	—	—
Adv. against services - NESL	—	Rs. 31.01	—	Rs. 0.77	—	—
For Receiving of services - NBL	—	Rs. 20.25	—	—	—	—
Balance at the end of the Period	31.03.10	31.03.09	31.03.10	31.03.09	31.03.10	31.03.09
Payables - NESL	Rs. 195.96	Rs. 207.45	—	—	—	—
Receivables - NE Cables Ltd.	—	Rs. 2.36	—	—	—	—
- NBL	Rs. 7.87	Rs. 6.72	—	—	—	—
Investments :						
NESL	Rs. 45.00	Rs. 450.00	—	—	—	—
Share Capital reduced	Rs. 506.28	—	—	—	—	—
NE Cables Ltd.	Rs. 4.99	Rs. 4.99	—	—	—	—
Nicco Biotech Ltd.	Rs. 1270.00	Rs. 1270.00	—	—	—	—
Nicco Institute of Bio Technology (NERT)	—	—	—	—	—	—
Nicco Ventures Ltd.	—	—	Rs. 91.96	Rs. 91.96	—	—
Nicco Financial Services Ltd.	—	—	Rs. 25.94	Rs. 25.94	—	—
Nicco Parks & Resorts Ltd.	—	—	Rs. 120.49	Rs. 120.49	—	—
Rental of Fixed Assets	—	—	—	Rs. 41.83	—	—

**SCHEDULES TO THE BALANCE SHEET (Contd.)****(IX) Employee Benefits**

Following adjustments relating to employee benefits have been made in these accounts in keeping with Accounting Standard 15 (Revised) issued by the Institute of Chartered Accountants of India.

- (a) Expenses under defined contribution plans in terms of following break up has been recognised during the year. Details given below —

Particulars	For the	For the
	year ended 31.03.2010	year ended 31.03.2009
	Rs. Lakhs	Rs. Lakhs
Provident Fund	92.03	81.14
Employees Pension Scheme	70.03	74.77
Employees State Insurance	5.25	19.36
Total	167.31	175.27

- (b) Particulars in respect of post retirement benefit under defined benefit plans:

Description	Gratuity	Leave Salary	Superannuation	Total
	(Funded) (Rs. Lakhs)	(Non-Funded) (Rs. Lakhs)	(Funded) (Rs. Lakhs)	(Rs. Lakhs)
Reconciliation of Opening fair value of planned assets and opening value of defined benefit obligation				
A. Reconciliation of opening and closing balances of obligation				
(a) Obligation as at 1.4.09	668.42	186.72	438.57	1,293.71
(b) Past Service Cost	—	—	22.25	22.25
(c) Current Service Cost	38.98	69.90	19.19	128.07
(d) Interest Cost	51.87	13.94	36.47	102.28
(e) Actuarial (gain)/loss	12.49	(62.68)	(14.73)	(64.92)
(f) Benefits paid.	(40.15)	(24.88)	(98.79)	(163.82)
(g) Obligation as at 31.03.10	731.61	183.00	402.96	1,317.57
B. Change in Plan Assets (Reconciliation of opening & closing balances)				
(a) Fair Value of plan assets as at 1.4.09	395.16	—	305.79	700.95
(b) Expected return on plan assets	31.61	—	24.46	56.07
(c) Actuarial gain/(loss)	(8.47)	—	(289)	(11.36)
(d) Contributions by the employer	99.18	—	25.13	124.31
(e) Benefits paid	(40.15)	—	(98.79)	(138.94)
(f) Fair Value of plan assets as at 31.03.10	477.33	—	253.70	731.03
C. Reconciliation of fair value of plan assets and present value of defined benefit obligations				
(a) Present value of obligation as at 31.03.10	731.61	183.00	402.96	1,317.57
(b) Fair Value of plan assets as on 31.03.10	477.33	—	253.70	731.03
(c) Amount recognized in the balance sheet	254.28	183.00	149.26	586.54
D. Expense recognized in the period				
(a) Current Service Cost	38.98	69.90	19.19	128.07
(b) Past Service Cost	—	—	22.25	22.25
(c) Interest Cost	51.87	13.94	36.47	102.28
(d) Expected return on plan assets gain/(loss)	31.61	—	24.46	56.07
(e) Actuarial (gain)/loss	20.96	(62.68)	(11.85)	(53.57)
(f) Expenses recognized in the period (a+b+c+d+e)	80.20	21.16	41.60	142.96

SCHEDULES TO THE BALANCE SHEET (Contd.)

E. Investment Details of Plan Assets

	% age Invested
(a) GOI Securities	—
(b) Public Sector Unit Bonds	—
(c) State/Central Guaranteed Securities	—
(d) Reimbursement right from insurance companies	98.44
(e) Special Deposit Schemes	1.25
(f) Others (including bank balances)	0.31

F. Assumptions

(a) Discount rate (per annum) (%)	8.00
(b) Estimated rate of return on plan assets (per annum) (%)	8.00
(c) Inflation Rate (%)	5.00
(d) Remaining Working Life (in Years)	15.00
(e) Method Used	Projected unit credit method
(f) Mortality factor	As per LIC (1994-96) ultimate criteria
(g) Staff Turnover	10 per/1000 per annum
(h) Super annuation Age	At 60 Years

Basis of determination of respected date of return Return on long term investment in government Bond

G. Off balance sheet liability towards Superannuation against transitional provisions works out to Rs. 44.50 Lacs amortisable equally over next 2 years after providing Rs. 22.25 Lacs for the year.

(X) Information on Hire Purchase deals pursuant to AS-19 issued by ICAI

A. As Lessee :

I. Carrying Amount (Rs. in Lacs)

	31.03.10	31.03.09
A. Plant & Machinery	36.27	85.44
B. Vehicle	27.91	51.25
C. Computer	—	0.31

II. Minimum Lease Price Payment

	Upto 1 Year	1 to 5 year	> 5 Year
A. Plant & Machinery	3.98	—	Nil
B. Vehicle	11.40	2.48	Nil
C. Computer	—	—	Nil

III. Present Value

A. Plant & Machinery	3.65	—
B. Vehicle	13.01	—
C. Computer	—	—

IV. HP Charges Recognised in P/L A/c during the year (Rs. in Lacs)

	31.03.10	31.03.09
A. Plant & Machinery	2.20	11.54
B. Vehicle	6.04	3.63
C. Computer	—	0.65
	8.24	15.82

B. As Lessor

Building

Lease Income

a) Recognised in accounts	Rs. 2.58
b) Recognisable in 2nd, 3rd and 4th year	Rs. 28.38
c) Entire amount has been received in advance	—

d) The deal relates to 3 years lease agreement with NESL, a subsidiary, for letting out office premises under arrangement of operational lease.

**SCHEDULES TO THE BALANCE SHEET (Contd.)**

(XI) One of the banks has charged company's cash credit account by Rs. 59 Lacs during the nine months period contrary to accepted settlement. The conduct of the bank has not being accepted by the Company and is taken up with appropriate authority.

(XII) Customs duty on imported goods payable on clearance of goods are estimated at Rs. 12.42 Lacs (Rs. 7.93 Lacs) which is neither included in expenditure nor included in the value of such stocks.

(XIII) Information pursuant to AS 28.

Cable Divisions at Baripada, Shyamnagar and Project Division constitute three cash generating units (CGU). Common fixed assets have been apportioned among CGU's in the ratio of written down value of fixed assets held by respective units.

Since value in use, arrived at by way of discounting future cash flow as on date as estimated by management during assessed life of plants in terms of technical evaluation for each CGU, exceeds written down value of assets relevant thereon, no provision for any loss on account of impairment of fixed asset has been made in accounts thereby also ruling out the cause of ascertaining the net selling price of the assets.

Discount factor @ 12% p.a has been applied for arriving at as on date value of future cash flow which includes 2% against risk factors. Certain fixed assets are earmarked for transfer to cable operations at book value for which no impairment is deemed necessary for obvious reason.

(XIV) Information pursuant to AS 7 (relates to contracts entered into since 01.04.2003) :

(a) Contract revenue recognized as revenue Rs. 11834.31 Lacs (Rs. 3696.13 Lacs).

(b) Retention amount (forming part of debtors) Rs. 236.01 Lacs (Rs. 68.10 Lacs).

(c) Due from customers on account of contract work Rs. 5051.96 Lacs (Rs. 1396.23 Lacs).

(d) Aggregate of cost incurred on construction contract Rs. 12903.56 Lacs (Rs. 3075.76 Lacs).

(e) Aggregate of profit (loss) recognized against construction contract Rs. 1069.25 Lacs (Rs. 620.37 Lacs) on the basis of direct cost only.

(f) The amount of advances received Rs. 123.42 lacs (nil)

(XV) Earning Per Share :

Earning Per Share (Basic & Diluted)	Year ended 31.03.10	Year ended 31.03.09
Profit after Tax (Rs./-)	(43,15,70,327.35)	(52,91,47,423.91)
Less :		
Preference Dividend 5% (Rs./-)	<u>1,09,15,000.00</u>	<u>1,09,15,000.00</u>
A. Amount used as numerators in calculating basic & diluted earning per share.	(44,24,85,327.35)	(54,00,62,423.91)
Weighted average no. of Equity Share (No.)	91,612,924.00	90,698,847.00
E. Earning Per Share (Basic) (Rs./-)	(4.83)	(5.95)
F. Earning Per Share (Diluted) (Rs./-)	(4.83)	(5.95)

Note : EPS of the previous year has been adjusted in terms of current status.

(XVI) Arrears of Dividend on Cumulative Preference Shares Rs. 659.15 Lacs (Rs. 550 Lacs).

(XVII) During the year ended on March 2010 restructuring of the Company's debt under CDR mechanism was implemented. Furthermore, normal operations of the cable manufacturing units were adversely affected due to continuing labour unrest leading to suspension of work in Baripada factory since mid November 2009.

(XVIII) Out of total collection of application money under capital restructuring scheme, Rs. 0.74 Crores are pending allotment to NRETF for which necessary formalities are being complied.



SCHEDULES TO THE BALANCE SHEET (Contd.)

- (XIX) In compliance with the CDR approved package and pursuant to a High Court approval, a reduction of share capital of Nicco Engineering Services Limited (NESL) a wholly owned subsidiary, was carried out. This resulted in:
- Nicco Corporation Limited (NCL) receiving an amount of Rs. 506 Lacs in cash and consequent reduction of investment in subsidiary company.
 - A profit of Rs. 101 Lacs in cash, being the excess payment received from the said subsidiary vis-a-vis proportionate book value of the investment surrendered. This has been recognized as extra ordinary income.
- (XX) Capital base of the Company has been enhanced by Rs. 200 Lacs pursuant to allotment of 36,56,307 equity shares of Rs. 2/- each at a premium of Rs. 3.47 per share to Nicco Employees Restructuring Trust Fund in line with CDR package.
- (XXI) Advances recoverable in cash or in kind or value to be received includes expenditure in progress aggregating Rs. 39.48 lacs towards partial repair of building damaged by fire, the building being adequately insured against fire damages. Said amount has not been provided for the expectation of insurance compensation claim thereof to be lodged on completion of repair work.
- (XXII) Movement of provision against income tax (including fringe benefit tax).

Particulars	31.03.2010	31.03.2009
Opening Provision	530.44	598.42
Add :		
Provision made during the year		
Income Tax		
Fringe Benefit Tax	—	45.32
	530.44	643.74
Less : Adjustment during the year/excess provision written back	—	113.30
Closing provision	530.44	530.44

- (XXIII) (a) Directors Remuneration (paid as per schedule XIII of Companies Act, 1956).

Particulars	Rs. in Lacs	
	For the year ended 31.03.10	For the year ended 31.03.09
Salary	41.73	38.55
House Rent Allowance	—	16.20
Gratuity	—	0.63
Provident Fund	4.89	4.63
Super Annuation Fund	7.88	5.78
Others	8.40	15.46
Total	62.90	81.25

- (b) Payment received by a director from subsidiaries :

Particulars	Rs. in Lacs	
	For the year ended 31.03.10	For the year ended 31.03.09
Salary and others	11.73	11.73
Staff welfare	1.57	1.24
Other Perquisites	2.09	1.78
Total	15.39	14.75



SCHEDULES TO THE BALANCE SHEET (Contd.)

- (XXIV) 1,10,000 5% cumulative redeemable preference shares of Rs. 100/- each, pertaining to a preference share holder only, was due for redemption on February 1, 2010. The same is expected to be renewed for a further period with the consent of the preference shareholder.
- (XXV) Unsecured loan, repayable within a year but renewable as felt by management, is not to be disclosed under short term category.
- (XXVI) Figures in brackets relates to previous period/year.
- (XXVII) Figures have been regrouped and rearranged wherever necessary
- (XXVIII) Schedule 1 to 24 form an integral part of these accounts.

As per our attached Report of even date

For G. BASU & CO.
Chartered Accountants
R. No :- 301174E
S. LAHIRI
Partner (M. No. 051717)
Basu House
3, Chowringhee Approach
Kolkata-700 072

Dated, the 21st day of May, 2010

J. S. PAUL
Sr. Vice President
& Co. Secretary

On behalf of the Board of Directors

N DAS	Director & Chairman — Audit Committee
UDAYAN RAY	Managing Director
RAJIVE KAUL	Chairman
DEEPAK GUHA	Sr. Vice President & CFO

SCHEDULES TO THE BALANCE SHEET (Contd.)

24. Additional Information

Information Pursuant to the provisions of Schedule VI to the Company's Act, 1956 (As certified by the management)

I. Particulars in respect of manufactured and trading goods:

i) Class of goods : (a) Electrical Cables, (b) Conductors & Wires,* (c) Turnkey Engineering and Services.

ii) Unit	(Rs. in Lacs)							
	Manufactured Goods		Metric Tons		Trading Goods		Kgs., Metres, Nos. & Litres	
	Metres				No.			
	Apr'09-Mar'10	Apr'08-Mar'09	Apr'09-Mar'10	Apr'08-Mar'09	Apr'09-Mar'10	Apr'08-Mar'09	Apr'09-Mar'10	Apr'08-Mar'09
iii) Licensed Capacity	(a) 80,000 CKM	(a) 80,000 CKM	(b) 20,131	(b) 20,131	—	—	—	—
* Licensed Capacity for the Current Year for the aforementioned items (c), (d) & (e) has been excluded as per exemption provision of (D&R) Act, 1951 and in terms of Notification No. 477(E), dt. 25.07.91								
iv) Installed Capacity	(a) 80,000 CKM	(a) 80,000 CKM	(b) 22,156	(b) 22,156	—	—	—	—
v) Opening Stock	(a) 120.674 CKM (Rs. 40.44)	(a) 207,755 CKM (Rs. 137.90)	(b) —	(b) —	—	—	(a) 600 Mtrs.	(a) 4699 Mtrs.
			(c) Rs. —	(c) Rs. —	—	—	Rs. 2.34 Lacs	Rs. 5.84 Lacs
			(d) Rs. —	(d) Rs. —	—	—		
			(e) Rs. —	(e) Rs. —	—	—		
			(f) Rs. —	(f) Rs. —	—	—		
			(g) Rs. —	(g) Rs. —	—	—		
			(h) Rs. —	(h) Rs. —	—	—		
vi) Production	(a) 17896.777 CKM	(a) 22315.321 CKM	(b) 101.220 MT	(b) 15.138 MT	—	—	—	—
vii) Purchase			(b) —	(b) —	(e) —	(e) —	(a) 1176652 Mtrs.	(a) 858830 Mtrs.
			(c) —	(c) —	Rs. —	Rs. —	Rs. 1132.16 Lacs	Rs. 1499.77 Lacs
			(d) —	(d) —			(f) KGS.	(f) KGS.
			(e) —	(e) —			Rs. —	Rs. —
			(f) —	(f) —				
			(g) —	(g) —				
			(h) —	(h) —				
viii) Closing Stock	(a) 225.036 CKM (Rs. 188.16)	(a) 120.674 CKM (Rs. 40.44)	(b) —	(b) —	—	—	(a) 5749 Mtrs.	(a) 600 Mtrs.
			(c) —	(c) —			Rs. 3.55 Lacs	Rs. 2.34 Lacs
			(d) —	(d) —			(f) Kgs.	(f) Kgs.
			(e) —	(e) —			Rs. —	Rs. —
			(f) —	(f) —			and others	and others
			(g) —	(g) —			Rs. —	Rs. —
			(h) —	(h) —				

SCHEDULES TO THE BALANCE SHEET (Contd.)

24. Additional Information (Contd.)

Particulars in respect of manufactured and trading goods: (Contd.)

	Manufactured Goods				Trading Goods			
	Metres		Metric Tons		No.		kgs., Metres, Nos. & Litres	
	Apr'09-Mar'10	Apr'08-Mar'09	Apr'09-Mar'10	Apr'08-Mar'09	Apr'09-Mar'10	Apr'08-Mar'09	Apr'09-Mar'10	Apr'08-Mar'09
ix) Sales	(a) 17792.415 CKM	(a) 22402.402 CKM	(b) 101.220 MT	(b) 15.138 MT	(e) —	(e) —	(a) 1171503 Mtrs. (f) Kgs.	(a) 862929 Mtrs (f) Kgs.
			(c) —	(c) —				
			(d) —	(d) —				
			(e) —	(e) —				
			(g) —	(g) —				

	Apr'09-Mar'10 (Rs. in Lacs)	Apr'08-Mar'09 (Rs. in Lacs)
Value of Sales		
Manufacturing Activities		
Cables	16,984.15	23,532.95
Conductors, Wires & Wires Rods	429.48	86.55
Fabrication Receipts	—	—
Other Receipts	550.68	827.15
	<u>17,964.31</u>	<u>24,446.65</u>
Turnkey Projects	<u>12,771.91</u>	<u>10,603.70</u>
Consultancy & Services	—	—
Trading Activities		
Cables	1,276.58	1,666.84
Belzona	—	—
Others	—	—
Sub-Total	<u>1,276.58</u>	<u>1,666.84</u>
Grand Total	<u>32,012.80</u>	<u>36,717.19</u>



SCHEDULES TO THE BALANCE SHEET (Contd.)

24. Additional Information (Contd.)

II. Raw Materials Consumed :

	Apr'09-Mar'10		Apr'08-Mar'09	
	Quantity (MT)	Value (Rs. in Lacs)	Quantity (MT)	Value (Rs. in Lacs)
Copper	1,918.459	6,492.63	1,700.570	5,838.09
Copper Conductor	142.500	408.20	274.020	866.02
G. I. Steel Tape	—	—	—	—
Steel Slabs & Billets	—	—	—	—
GMS Wire Strips	1,248.699	566.06	1,575.100	896.40
Cable Filling Compound	—	—	—	—
Polyethylene Granules	—	—	—	—
Poly-Al. Tape	—	—	—	—
Aluminium	1,559.838	1,635.55	2,245.627	2,683.28
Steel Wire Rods	—	—	—	—
PVC Compound	1,448.920	807.11	2,013.424	1,132.23
PVC Tapes and Others	—	—	—	—
XLPE Compound	718.543	765.99	1,196.805	1,192.82
Pure Lead	—	—	—	—
Lead Alloy	—	—	—	—
Zinc	—	—	—	—
Others	—	2,103.00	—	2,094.16
		<u>12,778.54</u>		<u>14,703.00</u>

III. Raw Materials and Stores Consumed :
(including Components and Spares Consumed
and Percentage there of) :

	Apr'09-Mar'10		Apr'08-Mar'09	
	Value (Rs. in Lacs)	%	Value (Rs. in Lacs)	%
Raw Materials :				
Imported	482.28	3.77	1,343.46	9.14
Indigenous	12,296.26	96.23	13,359.54	90.86
	<u>12,778.54</u>	<u>100.00</u>	<u>14,703.00</u>	<u>100.00</u>
Stores & Spares :				
Imported	5.95	3.86	39.55	21.03
Indigenous	148.15	96.14	148.49	78.97
	<u>154.10</u>	<u>100.00</u>	<u>188.04</u>	<u>100.00</u>

IV. Value of Imports on C.I.F basis :

	Apr'09-Mar'10 (Rs. in Lacs)	Apr'08-Mar'09 (Rs. in Lacs)
Raw Materials	163.67	293.42
Capital Goods	—	—
Others	536.64	181.34
	<u>700.31</u>	<u>474.76</u>

V. Expenditure in Foreign Currency :

	Apr'09-Mar'10 (Rs. in Lacs)	Apr'08-Mar'09 (Rs. in Lacs)
Travelling	7.09	11.10
Subscription of Books etc.	—	0.12
Commission	—	—
Technical Design & Drawing	—	—
Bank Charges	—	—
Others	—	26.91
	<u>7.09</u>	<u>38.13</u>



SCHEDULES TO THE BALANCE SHEET (Contd.)

24. Additional Information (Contd.)

VI. Remittance in foreign currencies on Account of Dividend to Non-resident Shareholders :

Apr'09-Mar'10			Apr'08-Mar'09		
No.	Shares Held	Net Amount of Dividend remitted (Rs. in lacs)	No.	Shares Held	Net Amount of Dividend remitted (Rs. in lacs)

VII. Earnings in Foreign Exchange :

	Apr'09-Mar'10	Apr'08-Mar'09
i) F.O.B. Value of Exports	31.81	360.83
ii) Professional and Consultancy Fees	—	—
iii) Royalty	—	—
iv) Sale of Investments	—	—
v) Others	—	—
	<u>31.81</u>	<u>360.83</u>

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As per our attached Report of even date.

For G. BASU & CO.
Chartered Accountants
R. No :- 301174E
S. LAHIRI
Partner
Basu House
3, Chowringhee Approach
Kolkata-700 072

Dated, the 21st Day of May, 2010

Signature to Schedules 1 to 25 to Accounts

On behalf of the Board of Directors

N DAS Director & Chairman
— Audit Committee

UDAYAN RAY Managing Director

RAJIVE KAUL Chairman

DEEPAK GUHA Sr. Vice President & CFO

J. S. PAUL
Sr. Vice President &
Co. Secretary



SCHEDULES TO THE BALANCE SHEET (Contd.)

25. Balance Sheet Abstract and Company's General Business Profile

(Rs. in thousand)

I.	REGISTRATION DETAILS		
	Registration No.	36362	State Code
	Balance Sheet Date	31 03 2010	21
		Date Month Year	
II.	CAPITAL RAISED DURING THE YEAR		
	Public Issue	Nil	Rights Issue
			Nil
	Bonus Issue	Nil	Private Placement
			7,312.61
III.	POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS		
	Total Liabilities	3,797,359.05	Total Assets
			3,570,539.00
	SOURCES OF FUNDS		
	Paid-up Capital	407,146.00	Reserves & Surplus
			624,660.89
	Secured Loans	1,578,741.00	Unsecured Loans
			324,360.00
	APPLICATION OF FUNDS		
	Net Fixed Assets	1,014,074.00	Investment
			175,396.00
	Net Current Assets	486,810.95	Misc. Expenditure
			—
	Accumulated Losses	1,258,626.88	
IV.	PERFORMANCE OF COMPANY		
	Gross Turnover	3,118,396.00	Total Expenditure
			3,666,495.88
	Profit/Loss before tax	(548,099.88)	Profit/Loss After tax
			(431,567.88)
	Earning per share in Rs.	(4.83)	Dividend Rate %
			Nil
V.	GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY		
	Item Code No.		74.13
	Product description		Cables & Conductors
	Item Code No.		72.08
	Product description		Steel Wire Rods
	Item Code No.		73.12
	Product description		Steel Wire Ropes



**Statement Regarding Subsidiary Companies
Pursuant to Section 212 of the Companies Act, 1956**

01.	Name of the Subsidiary Company	Nicco Engineering Services Ltd. Nicco Biotech Limited NE Cables Limited Nicco Cables Limited
02.	The Financial Period of the Subsidiary Companies ended	Year ended 31st March, 2010
03.	Holding Company's Interest as on date: a) No. of Equity Shares held b) Percentage of Shareholding	<ol style="list-style-type: none"> 1. 56,25,375 Equity Shares of Re. 1/- each of Nicco Engineering Services Ltd. 2. 72,00,000 Equity Shares of Rs. 10/- each and 5,50,000, 0% Redeemable Preference Shares of Rs. 100/- each of Nicco Biotech Limited. 3. 49,930 Equity Shares of Rs. 10 each of NE Cables Limited. 4. 1,00,000 Equity Shares of Rs. 10/- each of Nicco Cables Limited <ol style="list-style-type: none"> 1. 99.99% of Nicco Engineering Services Ltd. 2. 80% of Nicco Biotech Limited 3. 99.86% of NE Cables Limited 4. 100 % of Nicco Cables Limited
04.	Net aggregate amount of Profits/Losses of the subsidiaries so far as it concerns the members of the Company a) Not dealt with in the Accounts of the Company for the financial year ended 31st March, 2010 i) for the financial year of the Subsidiary ii) for previous financial years of the Subsidiary since it became Subsidiary of the Company b) Dealt with in the accounts of the Company i) for the financial year of the Subsidiary ii) for previous financial years of the Subsidiary since it became Subsidiary of the Company	<p>Profit/(Loss) - Rs. 189.05 (Rs. in lacs)—NESL Profit/(Loss) — (Rs. 19.53) (Rs. in lacs)—Nicco Biotech Ltd. Profit/(Loss) — (Rs. 0.14) (Rs. in lacs)—NE Cables Ltd. Profit/(Loss)— (Rs. 0.004) (Rs. in lacs)—Nicco Cables Ltd.</p> <p>Profit/(Loss) - Rs. 185.19 (Rs. in lacs)—NESL Profit/(Loss) - (Rs. 40.94) (Rs. in lacs)—Nicco Biotech Ltd. Profit/(Loss) - (Rs. 0.47) (Rs. in lacs)—NE Cables Ltd. Profit/(Loss) - (Rs. 0.08) (Rs. in lacs)—Nicco Cables Ltd.</p> <p>Nil Nil</p>
05.	Details of change in the Holding Company's Interest which occurred between the end of the financial year of the Subsidiary and the end of the Holding Company's financial year	Nil
06.	Details of any material changes which occurred between the end of the financial year of the Subsidiary and the end of the Holding Company's financial year in respect of: i) The Subsidiaries Fixed Assets ii) Its investments iii) The money lent to it iv) The Money borrowed by it for any purpose other than that of meeting current liabilities	<p>Leasehold land worth Rs. 30.89 lacs surrendered during the year resulting in marginal loss — NE Cables Limited.</p> <p>Book value of investment declined by Rs. 405.01 Lacs pursuant to reduction of share capital in subsidiary — Nicco Engineering Services Limited.</p> <p>Nil Nil</p>

(All monetary figures are Rupees in lacs)

For G. BASU & CO.
Chartered Accountants
R. No :- 301174E
S. LAHIRI
Partner
Basu House
3, Chowringhee Approach
Kolkata-700 072

Dated, the 21st day of May, 2010

J. S. PAUL
Sr. Vice President
& Co. Secretary

On behalf of the Board of Directors

N DAS	Director & Chairman — Audit Committee
UDAYAN RAY	Managing Director
RAJIVE KAUL	Chairman
DEEPAK GUHA	Sr. Vice President & CFO

STATEMENT REGARDING SUBSIDIARY COMPANIES PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

In terms of the approval granted by the Ministry of Corporate Affairs, Government of India u/s 212(8) of the Companies Act 1956 vide its letter No. 47/539/2010-CL-III dated 10th June '2010

(Figures in Rs. 000)

For the year ended 31st March '2010.

	Figures as at	Nicco Engineering Services Ltd.	Nicco Biotech Ltd.	NE Cables Ltd.	Nicco Cables Ltd.
Capital	31.03.10 31.03.09	5626 56254	150000 150000	1500 1500	1000 1000
Reserves and Surplus	31.03.10 31.03.09	80262 61357	(17124) (15170)	(289) (275)	(14) (14)
Total Assets (Fixed Assets + Current Assets + Deferred Tax Asset)	31.03.10 31.03.09	99857 139343	134563 136953	1258 4206	1013 1000
Total Liabilities (Loans + Current Liabilities + Provisions)	31.03.10 31.03.09	34973 30730	1687 2123	47 2981	27 14
Investments — other than in Subsidiaries	31.03.10 31.03.09	16005 3999	— —	— —	— —
Investments — in Subsidiaries	31.03.10 31.03.09	4999 4999	— —	— —	— —
Turnover/Total Income	31.03.10 31.03.09	211224 213254	3450 3805	88 73	13 —
Profit/(Loss) Before Taxation	31.03.10 31.03.09	28640 30549	(2108) (3916)	(14) (47)	(1) (8)
Provision for Taxation	31.03.10 31.03.09	10670 12070	— —	— —	— —
Profit/(Loss) After Taxation	31.03.10 31.03.09	17970 18479	(1954) (4094)	(14) (47)	(1) (8)
Proposed Dividend and Dividend Tax	31.03.10 31.03.09	— —	— —	— —	— —



AUDITORS' REPORT to the Board of Directors of Nicco Corporation Limited on the Consolidated Financial Statements of Nicco Corporation Limited and its Subsidiaries

We have audited the attached consolidated Balance Sheet of Nicco Corporation Limited and its subsidiaries as at 31st March 2010, the Consolidated Profit and Loss Account and Consolidated Cash Flow statement for the year ended as on that date.

These financial statements are the responsibility of the Nicco Corporation Limited's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. 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 statements. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs 858.88 Lacs as at 31st March 2010 and total revenues of Rs 2,112.24 Lacs and cash outflow of Rs 520.23 Lacs for the year ended on March 31st 2010. These financial statements have been audited by another auditor whose report has been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of the subsidiaries, is based solely on the report of the other auditor.

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21 on Consolidated Financial Statements, issued by the ICAI and on the basis of the separate financial statements of NICCO CORPORATION LIMITED and its subsidiaries NICCO ENGINEERING SERVICES LIMITED, NICCO BIOTECH LIMITED, N E CABLES LIMITED and NICCO CABLES LIMITED all being included in the Consolidated Financial Statements.

We have relied on management assertion of virtual certainty of future taxable profit and admissibility of part of loss as referred to in note V of schedule 23 for the purpose of recognition of deferred tax asset. Preference Share of the parent company is pending redemption.

On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of Nicco Corporation Limited and its subsidiaries together with notes to accounts and schedules annexed to the Consolidated Financial Statements in schedule 23, we report that

- (a) the Consolidated Balance Sheet gives a true and fair view of the Consolidated state of affairs of Nicco Corporation Limited and its subsidiaries as at 31st March, 2010, and
- (b) the Consolidated Profit and Loss Account gives a true and fair view of the Loss of Nicco Corporation Limited and its subsidiaries for the year ended on that date.
- (c) the Consolidated Cash Flow statement gives true and fair view of Cash Flow of Nicco Corporation Limited and its subsidiaries for the year ended on that date.

For G. BASU & CO.
Chartered Accountants
R. No :- 301174E

S. LAHIRI
Partner
Membership No. 51717

Basu House
3, Chowringhee Approach,
Kolkata-700 072

Dated, the 21st day of May, 2010

Consolidated Financial Statements

**CONSOLIDATED BALANCE SHEET** AS AT 31ST MARCH, 2010

		As at 31st March, 2010 (Rs. in lacs)		As at 31st March, 2009 (Rs. in lacs)	
	Schedule				
I. SOURCES OF FUNDS :					
1. Shareholders' Funds					
a) Capital	1	4,071.46		3,998.34	
b) Reserves & Surplus	2	6,834.16	10,905.62	6,817.00	10,815.34
2. Loan Funds					
a) Secured Loans	3	15,781.25		15,651.86	
b) Unsecured Loans	4	3,243.60	19,024.85	3,171.38	18,823.24
Total			29,930.47		29,638.58
II. APPLICATION OF FUNDS :					
1. Fixed Assets	5				
a) Gross Block		27,504.97		27,706.09	
b) Less : Depreciation		16,428.84		15,609.67	
c) Net Block		11,076.13		12,096.42	
d) Capital Work-in-Progress		19.62	11,095.75	16.55	12,112.97
2. Investments	6		1,090.86		877.99
3. Deferred Tax Asset (Net)			4,526.27		3,359.71
4. Current Assets, Loans & Advances					
a) Inventories	7	4,460.37		4,577.23	
b) Sundry Debtors	8	12,908.94		11,533.90	
c) Cash & Bank Balances	9	340.65		955.20	
d) Other Current Assets	10	247.03		188.11	
e) Loans & Advances	11	2,375.22		3,179.88	
		20,332.21		20,434.32	
Less : Current Liabilities & Provisions					
a) Liabilities	12	18,688.47		14,577.48	
b) Provisions		610.95		633.55	
c) Minority Interest		160.62		164.65	
		19,460.04		15,375.68	
Net Current Assets			872.17		5,058.64
Miscellaneous Expenditure to the extent not written off or adjusted	13		—		—
Profit & Loss A/c Debit Balance			12,345.42		8,229.27
Total			29,930.47		29,638.58
Significant Accounting Policies & Notes to Accounts	23				

Schedules referred to above form an integral part of the Balance Sheet

As per our attached Report of even date

For G. BASU & CO.
Chartered Accountants
R. No :- 301174EBasu House
3, Chowringhee Approach
Kolkata-700 072

Dated, the 21st day of May, 2010

J S PAUL
Sr. Vice President
& Co. Secretary

On behalf of the Board of Directors

N DAS Director & Chairman
— Audit Committee
UDAYAN RAY Managing Director

RAJIVE KAUL Chairman

DEEPAK GUHA Sr. Vice President & CFO



CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010.

		31st March, 2010 Year ended (Rs. in lacs)	31st March, 2009 Year ended (Rs. in lacs)
REVENUE :	Schedule		
Sales	14	34,076.37	38,748.40
Less : Excise Duty		1,255.75	2,620.99
Net Sales		32,820.62	36,127.41
Other Income	15	322.02	157.84
Total		<u>33,142.64</u>	<u>36,285.25</u>
EXPENDITURE			
Cost of Materials	16	23,006.37	21,056.01
Manufacturing Expenses	17	1,480.06	1,797.46
Project Engineering Expenses	18	3,329.30	5,402.09
Expenses on Employees	19	3,171.46	3,641.73
Selling & Administration Expenses	20	4,257.42	5,602.81
Miscellaneous Expenses Written Off		—	6.50
Total		<u>35,244.61</u>	<u>37,506.60</u>
GROSS PROFIT / (LOSS)		(2,101.97)	(1,221.35)
Less : Interest	21	2,365.66	2,848.05
CASH PROFIT / (LOSS)		(4,467.63)	(4,069.40)
Less : Depreciation	22	814.88	875.25
PROFIT / (LOSS) BEFORE TAXATION		(5,282.51)	(4,944.65)
Less : Provision for Taxation/Excess Provision Written Back		107.94	(2.33)
PROFIT/(LOSS) AFTER TAXATION		(5,390.45)	(4,942.32)
Add : Deferred Tax		1,166.56	(128.20)
PROFIT/(LOSS) AFTER DEFERRED TAX		(4,223.89)	(5,070.52)
FRINGE BENEFIT TAX		—	(60.40)
PROFIT/(LOSS) AFTER FRINGE BENEFIT TAX		(4,223.89)	(5,130.92)
Add : Loss of Minority Interest		4.02	7.76
Add : Net Share of Profit/(Loss) of Associates		92.82	34.92
PRIOR PERIOD EXPENSES		10.90	0.40
NET PROFIT/(LOSS) FOR THE YEAR		(4,116.15)	(5,087.84)
Add : Profit/(Loss) Brought Forward		(8,229.27)	(3,141.43)
Balance carried forward to Balance Sheet		<u>(12,345.42)</u>	<u>(8,229.27)</u>
Earning per Share (Basic)		(4.61)	(5.73)
Earning per Share (Diluted)		(4.61)	(5.73)
Significant Accounting			
Policies & Notes to Accounts	23		
Additional Information	24		

Schedules referred to above form an integral part of the Profit & Loss Account

As per our attached Report of even date

For G. BASU & CO.
Chartered Accountants
R. No :- 301174E

Basu House
3, Chowringhee Approach
Kolkata-700 072

Dated, the 21st day of May, 2010

J S PAUL
Sr. Vice President
& Co. Secretary

On behalf of the Board of Directors

N DAS Director & Chairman
— Audit Committee
UDAYAN RAY Managing Director

RAJIVE KAUL Chairman

DEEPAK GUHA Sr. Vice President & CFO

**CONSOLIDATED CASH FLOW STATEMENT** for the year ended 31st March, 2010

Particulars	(Rs. in Lacs)	(Rs. in Lacs)
	Year Ended 31.03.2010	Year Ended 31.03.2009
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax & Extra-Ordinary Items	(5,174.77)	(4,936.89)
Adjusted for —		
Depreciation charged to Profit & Loss Account	814.88	875.25
Profit on Sale of Fixed Assets (Net)	(189.31)	(2.16)
Profit on Sale of Investment (Net)	—	(7.43)
Interest on Investment	—	(0.64)
Dividend on Investment	—	(35.40)
Miscellaneous Expenditure Written Off	—	6.50
Interest Expenses	2,365.66	2,848.05
Sub-Total	2,991.23	3,684.17
Operating Profit before Working Capital Changes	(2,183.55)	(1,252.72)
Changes in Working Capital		
(Increase)/Decrease in Trade and Other Receivables	(634.51)	2,779.89
(Increase)/Decrease in Inventories	116.86	(1,143.01)
Increase/(Decrease) in Trade Payable	4,285.18	(500.38)
Net Changes in Working Capital	3,767.53	1,136.50
Cash Generated from Operations	1,583.98	(116.22)
Direct Tax (Net)	(102.73)	(304.25)
Cash Flow before Extra-Ordinary Items	1,481.25	(420.47)
Extrs Ordinary Items	—	—
CASH FLOW FROM OPERATING ACTIVITIES	1,481.25	(420.47)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(65.02)	(109.01)
Sale of Fixed Assets	289.02	5.09
Purchase of Investment	(154.94)	(491.77)
Sale of Investment (Net)	—	938.65
Interest Received	—	0.64
Dividend Received	—	35.40
NET CASH FROM INVESTING ACTIVITIES	69.06	379.00
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Borrowings (Net)	201.61	3,593.79
Interest Paid	(2,366.47)	(2,980.45)
NET CASH FROM FINANCING ACTIVITIES	(2,164.87)	613.34
NET CHANGES IN CASH/CASH EQUIVALENTS (A+B+C)	(614.55)	571.87
Cash & Cash Equivalents — Opening Balance	955.20	383.33
Cash & Cash Equivalents — Closing Balance	340.65	955.20

NOTES :

- Above statement has been prepared in indirect method except in case of Interest, Dividend and Taxes which have been considered on the basis of actual movement of cash, with corresponding adjustment in Assets and Liabilities.
- Additions to Fixed Assets are stated inclusive of adjustments between opening and closing balance of Capital Work-in-Progress and are treated as part of investing activities.
- Cash and Cash Equivalents consist of Cash in hand and balances with Banks.

SCHEDULES REFERRED TO ABOVE FORM AN INTEGRAL PART OF THE CONSOLIDATED BALANCE SHEET

As per our attached Report of even date

For G. BASU & CO.
Chartered Accountants
R. No :- 301174E

Basu House
3, Chowringhee Approach
Kolkata-700 072

Dated, the 21st day of May, 2010

J S PAUL
Sr. Vice President
& Co. Secretary

On behalf of the Board of Directors

N DAS Director & Chairman
— Audit Committee
UDAYAN RAY Managing Director

RAJIVE KAUL Chairman
DEEPAK GUHA Sr. Vice President & CFO


SCHEDULES TO THE CONSOLIDATED BALANCE SHEET

Particulars	(Rs. in lacs)	
	As at 31st March, 2010	As at 31st March, 2009
1. SHARE CAPITAL		
Authorised :		
22,00,000 (22,00,000) 5% Cumulative Redeemable Preference Shares of Rs. 100/- each.	2,200.00	2,200.00
90,90,910 (90,90,910) 6% Optionally Convertible Cumulative Preference Shares of Rs. 22/- each	2,000.00	2,000.00
23,50,00,000 (23,50,00,000) Equity Shares of Rs. 2/- each	4,700.00	4,700.00
Total	<u>8,900.00</u>	<u>8,900.00</u>
Issued and Subscribed:		
21,83,000 (21,83,000) 5% Cumulative Redeemable Preference Shares of Rs. 100/- each	2,183.00	2,183.00
9,43,55,154 (9,06,98,847) Equity Shares of Rs. 2/- each	1,887.10	1,813.98
Add : Forfeited Shares (Amount Originally Paid up)	1.36	1.36
Total	<u>4,071.46</u>	<u>3,998.34</u>
2. RESERVES & SURPLUS		
Capital Reserve		
As per Last Account	4,094.70	4,272.50
Less : Transfer to Profit & Loss Account towards		
Depreciation on Revaluation	167.65	177.80
On Account of Sale of Assets	(57.94)	—
	<u>3,984.99</u>	<u>4,094.70</u>
Share Premium Account		
As per Last Account	2,216.78	2,216.78
Additions during the Year	126.87	—
	<u>2,343.65</u>	<u>2,216.78</u>
Capital Redemption Reserve		
As per Last Account	205.00	205.00
	<u>205.00</u>	<u>205.00</u>
Debenture Redemption Reserve		
As per Last Account	300.52	300.52
Total	<u>6,834.16</u>	<u>6,817.00</u>

**SCHEDULES TO THE CONSOLIDATED BALANCE SHEET (Contd.)**

Particulars	(Rs.in lacs)	
	As at 31st March, 2010	As at 31st March, 2009
3. SECURED LOANS		
I. DEBENTURES		
4,74,620 (4,77,120), Secured Redeemable Non-Convertible Debentures of Rs. 100/- each (interest varying between 0%, 5% and 8%) to be redeemed in periodic instalments commencing from and ending on October 2006 and March 2016 respectively	474.62	477.12
II. Loans & Advances from Bank		
(a) Term Loan	9,571.07	6,177.28
(b) Cash Credit	3,334.60	6,682.45
III. Other Loans	2,400.96	2,315.01
Total	<u>15,781.25</u>	<u>15,651.86</u>
4. UNSECURED LOANS		
Sales Tax Loans	825.00	825.00
Loan from Companies	2,118.60	2,046.38
West Bengal Government Soft Loan	300.00	300.00
Total	<u>3,243.60</u>	<u>3,171.38</u>


SCHEDULES TO THE CONSOLIDATED BALANCE SHEET (Contd.)

5. CONSOLIDATED FIXED ASSETS AS AT 31ST MARCH, 2010										
(Rs. in lacs)										
Particulars of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost/Book Value as on 31.03.2009	Additions	Less: Sold/Discarded/ Adjusted	Cost/Book Value 31.03.2010	Total Provision Upto 31.03.2009	Provided for the Year ended 31.03.2010	Adjustment of depreciation on Assets Sold/Discarded	Total to 31.03.2010	As on 31.03.2010	As on 31.03.2009
Goodwill	6.36	—	—	6.36	—	—	—	—	6.36	6.36
Know How										
Land :										
— Free Hold	829.94	—	—	829.94	—	—	—	—	829.94	829.94
— Lease Hold	478.56	—	31.49	447.07	80.92	7.10	0.59	87.43	359.64	397.64
Buildings :										
— On Free Hold Land	6,708.84	—	95.65	6,613.19	3,503.41	201.15	58.89	3,645.67	2,967.52	3,205.43
— On Lease Hold Land	1,721.11	—	—	1,721.11	666.84	37.45	—	704.29	1,016.82	1,054.27
Lift	2.75	—	—	2.75	2.67	0.01	—	2.68	0.07	0.08
Plant and Machinery	16,603.59	24.82	42.13	16,586.28	10,286.77	677.40	28.33	10,935.84	5,650.44	6,316.82
Weigh Bridge	3.22	—	—	3.22	3.05	0.02	—	3.07	0.15	0.17
Weighing Machines	0.91	—	—	0.91	0.89	—	—	0.89	0.02	0.02
Furniture & Fixtures	768.04	17.58	50.25	735.37	638.14	30.20	48.63	619.71	115.66	129.90
Motor Cars/Cycles/ Motor Cycles	233.78	11.75	19.55	225.98	149.87	22.32	15.24	156.95	69.03	83.91
Trucks and Heavy Vehicles	29.20	—	—	29.20	29.16	0.01	—	29.17	0.03	0.04
Railway Sidings	0.39	—	—	0.39	0.38	—	—	0.38	0.01	0.01
Electrical Installations	291.87	—	24.00	267.87	243.44	0.65	11.68	232.41	35.46	48.43
Sub-Total A	27,678.56	54.15	263.07	27,469.64	15,605.54	976.31	163.36	16,418.49	11,051.15	12,073.02
Intangible Assets	27.53	7.80	—	35.33	4.13	6.22	—	10.35	24.98	23.40
Software										
Sub-Total B	27.53	7.80	—	35.33	4.13	6.22	—	10.35	24.98	23.40
Total (A+B)	27,706.09	61.95	263.07	27,504.97	15,609.67	982.53	163.36	16,428.84	11,076.13	12,096.42
Capital Work-in-progress	23.55	24.85	21.78	26.62	7.00	—	—	7.00	19.62	16.55
Sub-Total C	23.55	24.85	21.78	26.62	7.00	—	—	7.00	19.62	16.55
Grand Total (A+B+C)	27,729.64	86.80	284.85	27,531.59	15,616.67	982.53	163.36	16,435.84	11,095.75	12,112.97
Previous Year	27,661.35	149.63	81.34	27,729.64	14,601.68	1,052.78	37.79	15,616.67	12,112.97	

Notes : i) Building includes Rs. 0.68 on account of a flat on time sharing basis.

ii) Fixed Assets include assets (Plant & Machinery, Motor Vehicles and Computers) costing Rs. 2,793.55 (Rs. 2800.24) acquired under Hire Purchase against which Rs. 16.66 (Rs. 58.32) being the balance due as on 31.03.2010


SCHEDULES TO THE CONSOLIDATED BALANCE SHEET (Contd.)
6. CONSOLIDATED INVESTMENTS

Particulars	As at 31st March, 2009		Purchased/Acquired/Adjusted during the year ended 31.03.10		Sold/Redeemed/Adjusted during the year ended 31.03.10		As at 31st March, 2010	
	Face Value	Cost	Face Value	Cost	Face Value	Cost	Face Value	Cost
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
LONG TERM								
QUOTED (TRADE) :								
(i) Nicco Uco Alliance Credit Limited (Formerly Nicco Uco Financial Services Ltd.) 70,58,524 fully paid equity shares of Rs. 10/- each	705.85	812.25	—	—	—	—	705.85	812.25
UNQUOTED (OTHER THAN TRADE) :								
(A) GOVT. & TRUST SECURITIES								
(i) National Savings Certificate	0.02	0.02	—	—	—	—	0.02	0.02
(B) 6000 Equity Shares of GBP 1/- each of Helifusion Ltd.,UK	—	8.95	—	—	—	—	—	8.95
(C) UNQUOTED (TRADE) :								
(i) National Pipes & Tubes Co. Ltd. (in liquidation) 40,000 fully paid equity shares of Rs. 10/- each	4.00	—	—	—	—	—	4.00	—
(ii) BDA-Nicco Parks & Resorts Ltd. 20,000 fully paid equity shares of Rs. 10/- each	2.00	2.00	—	—	—	—	2.00	2.00
(D) INVESTMENT IN ASSOCIATES (TRADE) :								
(i) Nicco Parks and Resorts Ltd. (Quoted) 11,70,000 fully paid equity share of Rs. 10/- each read with Note XIV(2) Schedule 24B	117.00	410.93	—	110.18	—	—	117.00	521.11
READ WITH NOTE XV SCHEDULE 24B								
(ii) Nicco Ventures Ltd. (Unquoted), 919,550 fully paid equity shares of Rs. 10/- each	91.96	153.74	—	—	—	17.38	91.96	136.36
READ WITH NOTE XV SCHEDULE 24B								
(iii) Nicco Financial Services Ltd. (Unquoted) 3,80,714 fully paid equity shares of Rs. 10/- each	38.07	77.75	—	0.01	—	—	38.07	77.76
READ WITH NOTE XV SCHEDULE 24B								
(E) DEBENTURES (TRADE) (UNQUOTED) :								
(i) 90,500 Redeemable Non-convertible Debentures of Rs. 100/- each of Nicco Financial Services Ltd.—An Associate	90.50	90.50	—	—	—	—	90.50	90.50
(F) CURRENT INVESTMENT (OTHER THAN TRADE)								
(i) 1,27,233 Units @ Rs. 100/- (2,62,223 Units @ Rs 10/-) of Prudential ICICI Liquid Option Plan (Unquoted)	26.22	31.04	101.01	120.06	—	—	127.23	151.10
Total	1,075.62	1,587.19	101.01	230.25	—	17.38	1,176.63	1,800.06
Less : Provision for Diminution	—	709.20	—	—	—	—	—	709.20
Total		877.99						1,090.86

1. National Savings Certificates are lodged with a customer by way of security.


SCHEDULES TO THE CONSOLIDATED BALANCE SHEET (Contd.)

Particulars	(Rs. in lacs)	
	As at 31st March, 2010	As at 31st March, 2009
7. INVENTORIES		
Raw Materials	656.93	441.55
Work-in-Progress	2,069.48	862.59
Finished Products	294.30	126.30
Scrap	36.58	9.03
Finished Goods Purchased	3.55	2.34
Work-in-Progress for Turnkey Projects & Engg. Services	1,060.68	2,802.86
Stores & Spares	338.85	332.56
Total	4,460.37	4,577.23
8. SUNDRY DEBTORS (Unsecured)		
Debts Outstanding for a period exceeding six months :		
Considered Good	4,694.34	5,095.29
Considered Doubtful	144.15	49.07
	4,838.49	5,144.36
Less : Provision for Doubtful Debts	144.15	49.07
	4,694.34	5,095.29
Other Debts:		
Considered Good	8,214.60	6,438.61
Total	12,908.94	11,533.90
9. CASH & BANK BALANCES		
Cash in Hand	28.07	8.44
Remittance in Transit	2.00	5.25
With Scheduled Banks in :		
— Current Account	213.92	314.11
— Margin Deposit Account	56.23	127.40
Fixed Deposits Account	40.43	500.00
Total	340.65	955.20
Margin Deposit Account includes Rs. 46.23 Lacs (127.40 Lacs) pledged to Banks and Rs. 10 Lacs (NIL) pledged to others.		
10. OTHER CURRENT ASSETS (Unsecured, Considered Good)		
Interest Accrued on Deposits & Others	—	0.29
Other Receivables	247.03	187.82
Total	247.03	188.11

**SCHEDULES TO THE CONSOLIDATED BALANCE SHEET (Contd.)**

Particulars •	(Rs. in lacs)	
	As at 31st March, 2010	As at 31st March, 2009
11. LOANS & ADVANCES (Unsecured, Considered Good)		
Advances Recoverable in cash or in kind or for value to be received (Net of Provision – Rs. 7.86 lacs, Previous year – Rs. 10 lacs)	980.19	1,684.32
Advance Income Tax including Tax Deducted at Source Net of Provision Rs. 653.36 (Rs. 545.52 lacs)	492.33	497.54
Balance with Port Trust, Customs and Other Govt. Department	485.72	629.42
Deposit with Others	416.98	368.60
Total	2,375.22	3,179.88
12. CURRENT LIABILITIES & PROVISIONS		
(a) Current Liabilities		
Sundry Creditors for Goods, Services, Expenses etc. :	13,998.71	9,618.75
Micro & Small Enterprises Under MSMED Act, 2006	372.26	506.13
Other Liabilities	1,543.38	1,824.72
Advance from Customers	2,639.66	2,423.95
Interest Accrued but not due on Loans, Deposits etc.	0.06	0.87
Advance against Equity Shares	134.00	200.00
Investor Education and Protection Fund shall be credited by Unclaimed matured Fixed Deposit	0.40	3.06
Total	18,688.47	14,577.48
(b) Provisions		
Gratuity	240.84	273.26
Leave Encashment	217.43	218.97
Superannuation benefits	152.68	141.32
Total	610.95	633.55
Total (a)+(b)	19,299.42	15,211.03
13. MISCELLANEOUS EXPENDITURE	As at 31st March, 2010	As at 31st March, 2009
(To the extent not written off or adjusted)		
Payment under Voluntary Retirement Scheme :		
Brought forward	—	6.50
Add : Expenses during the period/year	—	—
	—	6.50
Less : Written off during the period/year	—	6.50
Grand Total	—	—


SCHEDULES TO THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

Particulars	(Rs. in lacs)	
	Year ended 31st March, 2010	Year ended 31st March, 2009
14. SALES		
Sale of Finished Goods including income from Other Works & Consultancy Fees	34,076.37	38,748.40
Total	<u>34,076.37</u>	<u>38,748.40</u>
15. OTHER INCOME :		
Income from House Property (Gross of TDS – Rs. 5.81 Lacs, Previous Year – Rs. 9.36 Lacs)	61.66	57.19
Dividend on Current Investments (Other than Trade)	16.60	35.40
Interest on Long Term Investments (Other than Trade)	—	0.64
Interest — Others	4.28	10.07
Profit on Sale of Fixed Assets	189.31	2.16
Profit on Sale of Current Investments (Other than Trade)	—	8.95
Liability no longer required written back	1.47	—
Bad Debts Recovery	—	1.07
Miscellaneous Receipts	27.68	7.58
Interest on Fixed Deposit with Banks	19.31	0.77
Gain on Foreign Exchange	1.71	34.01
Total	<u>322.02</u>	<u>157.84</u>
16. COST OF MATERIALS :		
Raw Materials :		
Opening Stock	441.55	438.36
Add : Purchases	12,991.92	14,706.19
	<u>13,433.47</u>	<u>15,144.55</u>
Less : Raw Material Sale	—	—
Less : Transferred for Capital Jobs	—	—
Less : Closing Stock of Raw Materials	656.93	441.55
Raw Materials Consumed	12,776.54	14,703.00
Add : Purchase of Finished Goods	1,082.28	2,052.94
Add : Purchase of Comp. for Turnkey Projects & Engg. Services	8,809.02	5,829.36
Sub Total	<u>22,667.84</u>	<u>22,585.30</u>
Adjustment of Closing & Opening Stock :		
Closing Stock :		
Work-in-Progress for Turnkey Projects & Engg. Services	1,060.68	2,802.86
Finished Goods	294.30	126.30
Purchased Finished Goods	3.55	2.34
Scrap Stock	36.58	9.03
Work-in-Progress	2,069.48	862.59
	<u>3,464.59</u>	<u>3,803.12</u>
Opening Stock :		
Work-in-Progress for Turnkey Projects & Engg. Services	2,802.86	1,007.86
Finished Goods	126.30	206.42
Purchased Finished Goods	2.34	5.84
Scrap Stock	9.03	16.04
Work-in-Progress	862.59	1,037.67
	<u>3,803.12</u>	<u>2,273.83</u>
(Accretion)/Decretion	(B) 338.53	(1,529.29)
Total	(A+B) <u>23,006.37</u>	<u>21,056.01</u>

**SCHEDULES TO CONSOLIDATED PROFIT AND LOSS ACCOUNT (Contd.)**

Particulars	(Rs. in lacs)	
	Year ended 31st March, 2010	Year ended 31st March, 2009
17. MANUFACTURING EXPENSES :		
Power & Fuel	550.30	606.47
Stores & Spares Consumed	441.56	524.16
Packing Materials Consumed	277.08	325.35
Repairs—Plant & Machinery	57.36	107.90
Repairs—Building	18.14	31.37
Repairs—Others	13.74	17.69
Fabrication Charges	92.01	120.23
Carriage and Handling Charges	29.87	64.29
Total	<u>1,480.06</u>	<u>1,797.46</u>
18. PROJECT ENGINEERING EXPENSES :		
Site Expenses	13.28	14.07
Design & Engineering	37.23	371.91
Fabrication Charges	423.34	1,118.10
Erection Charges	1,342.17	777.45
Civil Sub-contracting Charges	1,056.68	2,393.59
Loss on Foreign Exchange	0.71	—
Other Expenses	243.01	397.82
Sales Tax & Commercial Tax	212.88	329.15
Total	<u>3,329.30</u>	<u>5,402.09</u>
19. EXPENSES ON EMPLOYEES :		
Salaries, Wages, Bonus & Gratuity	2,658.53	2,972.63
Contribution to Provident & Other Funds	187.22	193.92
Workmen & Staff Welfare	325.71	475.18
Total	<u>3,171.46</u>	<u>3,641.73</u>

SCHEDULES TO CONSOLIDATED PROFIT AND LOSS ACCOUNT (Contd.)

Particulars	(Rs. in lacs)	
	Year ended 31st March, 2010	Year ended 31st March, 2009
20. SELLING & ADMINISTRATION EXPENSES :		
Freight and Transport	439.69	668.56
Insurance	150.11	176.15
Rent	96.75	93.30
Rates & Taxes	32.66	38.27
Consultancy Fees	187.16	362.45
Commission on Domestic Sales	72.59	123.56
Cash Discount	61.86	65.77
Travelling & Conveyance	589.11	723.40
Brokerage	0.13	—
Auditors' Remuneration :		
Audit Fees	6.62	6.87
Taxation Matters	1.38	1.40
Other Matters	6.79	6.73
Out of Pocket Expenses	—	0.31
Directors' Fees	7.14	5.98
Bank Charges	761.66	791.88
Advertisement	7.11	8.85
Provision for Doubtful Debts and Advances	95.08	10.00
Bad Debts Written Off	738.91	1,258.91
Bad Advances Written Off	—	75.18
Repairs to Office Building	4.56	5.43
Repairs Others	15.85	16.18
Loss on Sale of Asset	0.68	—
Loss on Sale of Long Term Investment (other than Trade)	—	1.52
Miscellaneous Expenses	981.58	1,162.11
Total	4,257.42	5,602.81
21. INTEREST :		
On Fixed Loan	1,705.55	1,777.17
On Others	660.11	1,070.88
Total	2,365.66	2,848.05
22. DEPRECIATION :		
Depreciation for the Year	982.53	1,053.05
Less : Transferred from Capital Reserve	167.65	177.80
Total	814.88	875.25



SCHEDULES TO THE BALANCE SHEET (Contd.)

23. CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS :

A. ACCOUNTING POLICIES

The Accounts of the company are prepared on going concern assumption under the historical cost convention (modified from time to time for revaluation of assets) and on accrual basis, in accordance with the applicable Accounting Standards except where otherwise stated.

(a) (i) FIXED ASSETS: (Tangible)

(i) Fixed Assets (except Free hold Land) are valued at cost (net of CENVAT) less depreciation/amortization and impairment loss, if any, except for those revalued which are presented in terms of revalued figures—net of depreciation thereon and impairment loss if any.

Land is valued at cost which includes expense on account of development.

(ii) Assets acquired under Hire Purchase are shown under fixed assets and are depreciated at the rate specified under schedule XIV of the Companies Act, 1956.

(iii) Cost includes purchase price, finance charges in case of major expansion or modernisation and other attributable expenses for bringing the Assets to their working condition for the intended use, duly certified by the engineers of the concerned departments.

(ii) Fixed Assets (Intangible)

Intangible fixed assets i.e. software is carried at actual cost of acquisition including cost incidental thereon—net of amortisation.

(b) DEPRECIATION :

1. Depreciation is considered at the rates and in the manner specified under schedule XIV of the Companies Act, 1956 as under :

(i) Straight Line Method at Kalyani, Baripada divisions and Plant & Machinery in other divisions.

(ii) Written Down Value Method at other divisions in case of other assets.

2. Depreciation on continuous process plants is considered at the rates specified under schedule XIV of the Companies Act, 1956 under straight line method.

3. Depreciation on addition/deletion during the year is charged on pro rata basis from the date of such addition/deletion.

4. In respect of revalued depreciable assets, the differential depreciation on the amounts added on revaluation is set off against Revaluation Reserve forming part of Capital Reserve.

5. Depreciation on increase in value of assets arising out of variations in the exchange rates, is charged prospectively over the remaining life of the assets.

6. Leasehold land is amortised over the period of lease.

7. Intangible fixed assets i.e. software is amortised over a period of 5 years on straight line basis since the date of bringing the same in use.

(c) IMPAIRMENT OF FIXED ASSETS

Exigency of provisions, if any, for impairment loss has been assessed in the context of cash generating units (CGU) in due cognizance of indications thereof based on external/internal sources of information.

Impairment loss is provided against short fall of recoverable value of CGU's vis-a-vis written down value of corresponding fixed assets. Recoverable value is the higher of value in use and net selling price of the fixed assets relevant to a CGU. Value in use when found to exceed the written down value of fixed assets of CGU, the exercise of further ascertaining net selling price therefore has been done away with.



SCHEDULES TO THE BALANCE SHEET (Contd.)

23. CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS : (cont.)

(d) INVENTORIES :

All items of inventories are valued at lower of cost and net realizable value except for scrap which is considered at estimated net realizable value.

Cost includes all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

The basis of determining cost for different categories of inventories :

- (a) Stores, Raw materials and Packing Materials—Weighted average basis.
- (b) Work in Progress and Finished goods—Material cost and appropriate share of production overhead.
- (c) Purchased goods—Purchased price.

(e) INVESTMENTS :

Long term investments are stated at cost less provision, if any, against permanent diminution in carrying cost of investment. Current Investments are carried at lower of cost and Net Asset Value/market price.

(f) REVENUE RECOGNITION :

1. Sales and services are accounted for when the sale of goods or services are completed on accrual basis. Sales is net of sales tax/VAT but gross of excise duty.
2. All items of income and expenses are recognized on accrual basis unless stated otherwise.
3. Export benefits are accounted for on the basis of realization.

(g) RECOGNITION OF PROFIT ON LONG TERM CONTRACTS

Contract revenue and Contract costs are recognized as revenue and expenses respectively by reference to the stage of completion of contract activity up to the date of balance sheet unless when construction contract stage can be estimated reliably. Expected loss on construction contract, based on possibility of total cost of construction to exceed contract revenue, is recognized as an expense. Stage of completion is arrived at on the basis of agreed billing schedule as certified by client vis-a-vis total contract value.

(h) TRANSACTIONS IN FOREIGN CURRENCIES

Foreign currency assets and outside liabilities (other than fixed assets and those covered by forward contracts) as on the Balance Sheet date are converted at the year end exchange rates and loss or gain arising thereon, is adjusted in the carrying amount of fixed assets or charged to Profit & Loss Account, as the case may be.

Transactions in foreign currencies other than those covered by forward contracts, are recorded at the rate prevailing on the date of transaction. Impact of exchange fluctuation between the date of the transaction and that of payment is accounted for separately as exchange gain or loss.

(i) RETIREMENT BENEFITS :

- (i) Defined Contribution Plan —
Provident Fund, Employees Pension and Employees State Insurance are provided on accrual basis. The accrued amount being deposited to the respective Trust/Authority.
- (ii) Defined Benefit Plan —
Gratuity, Leave salary and Super annuation benefit form part of defined benefit plan schemes existing in the company. The above benefits have been accounted for on the basis actuarial computation under unit projected cost method in terms of AS-15 as revised by ICAI.
- (iii) Short-term Benefit Plan —
Benefits payable within a year has been accounted for on accrual basis in terms of non discounted value.

(j) GOVERNMENT GRANTS

Revenue grants are recognized in the Profit and Loss Account. Capital grants are credited to Capital Reserves.



SCHEDULES TO THE BALANCE SHEET (Contd.)-

23. CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS : (cont.)

(k) **RESEARCH & DEVELOPMENT EXPENSES:**

Research and Development Expenditure is charged to profit and loss account in the year of incurrence.

(l) **CUSTOM DUTY :**

Custom duty payable on imported goods landed but not cleared are accounted for at the time of clearance of imported goods through customs.

(m) **CONTINGENT LIABILITIES :**

Where there is reliably estimable amount of present obligation that warrant to be settled as a result of past event with possible outflow of resources embodying economic benefit, provision is recognised in account therefor.

Otherwise no provision is made against contingent liabilities which are disclosed in notes to accounts.

(n) **MISCELLANEOUS EXPENDITURE :**

Preliminary expenses are written off in the year in which they are incurred.

Share issue expenses and payment made towards Voluntary Retirement Scheme are written off over a period of 60 months in equal instalments.

(o) **TAXATION :**

Income Tax is provided as per provisions of Income Tax Act, 1961. Deferred tax is recognized only at year end subject to consideration of prudence on timing difference being the difference between the taxable income and accounting income that originate in one year and capable of reversal in one or more subsequent period/periods.

(p) **INTEREST IN JOINT VENTURE :**

Income, Expenses & stake in venture the Company has undertaken with a third party have been accounted for in terms of AS-27 issued by ICAI.

(q) **GENERAL**

Items of income, expenses, assets and liabilities not being specifically referred to herein are accounted for consistently in terms of generally accepted accounting practices in due adherence of Accounting Standards issued by ICAI and in its absence those issued under International Accounting Standards.



SCHEDULES TO THE BALANCE SHEET (Contd.)-

23B. NOTES TO ACCOUNTS

Figures have been stated in Rs. Lacs

- (l) Contingent liabilities not being provided for include:
- (a) Counter guarantees aggregating Rs. 12303.18 Lacs (Rs. 12312.20 Lacs) provided to the bankers against guarantees issued by them. There is hardly any possibility of cash outflow.
 - (b) Bills discounted with banks and others Rs. 1045 Lacs (Rs. 343.34 Lacs)—possibility of cash outflow is remote.
 - (c)
 - (i) Demands aggregating Rs. 0.24 Lacs (Rs. 0.24 Lacs) raised by Central Excise Authority during 1977 and 1978 were contested as not payable. The Company was subsequently advised to pay Rs. 13.14 Lacs (Rs. 13.14 Lacs). But the excise authorities continued claiming the full amount. The claim was stayed by the Calcutta High Court by its order dated 15th May 1992. Based on the merit of the case, a favourable judgment is expected. The possibility of future cash outflow against the claim is remote and no provision for the deposit has been made for the outflow.
 - (ii) Other claims of central excise authority not admitted Rs. 660.43 Lacs (Rs. 396.58 Lacs) and Service Tax authority Rs. 79.76 Lacs (Rs. 79.76 Lacs) in respect of which no reliable payment obligation can be estimated and as such it is also not possible to assess the impact on future cash outflow.
 - (iii) Disallowance on six numbers central excise cases amount involving Rs. 6.59 (Rs. 2.43 Lacs) and disallowance on three numbers of service tax cases amounting to Rs. 13.52 Lacs (Rs. 13.52 Lacs). The above cases are being agitated before the appropriate authority through appeals and no cash outflows are envisaged as of now.
 - (d) Income tax demand of Rs. 27.59 Lacs (Rs. 27.59 Lacs) pertaining to Assessment Year 92-93 is pending in appeal at Orissa High-Court. Going by merit of the case, possibility of future cash outflow seems remote.
 - (e) Sales Tax Demands
 - (i) On account of reassessment from 01/04/98 to 31/03/01, demand of Rs. 258.44 Lacs (Rs. 258.44 Lacs) which has been stayed by Orissa High Court on deposit of Rs. 66.44 Lacs (Rs. 66.44 Lacs). Favourable judgment is expected from Hon'ble Court. Going by the merit of the case possibility of any future cash outflow seems remote. No provision is made due to above reason.
 - (ii) On account of assessment for years 2001-02 & 02-03 demand aggregates to Rs. 83.75 Lacs (Rs. 83.75 Lacs) were raised. The case for the year 2001-02 involving demand of Rs. 12.14 Lacs (Rs. 12.14 Lacs) under appeal with Assistant Commissioner of Sales Tax, Orissa has been stayed against deposit of Rs. 2.50 Lacs (Rs. 2.50 Lacs). In respect of assessment year 2002-03 involving demand of Rs. 71.61 Lacs (Rs. 71.61 Lacs), the same has been stayed by Commissioner of Sales Tax, Orissa against deposit of Rs. 18 Lacs (Rs. 18 Lacs). Going by the merit of the case, possibility of any future cash outflow seems remote. No provision has been made due to above reason.
 - (iii) Rs. 33.40 Lacs (Rs. 33.40 Lacs) has been claimed by the Sales Tax Officer, Baripada in respect of assessment of sales tax for the year 2003-04 which has been disputed by the Company. In this connection stay has been granted by Asst. Commissioner of Commercial Tax against payment of Rs. 0.23 Lacs (Rs. 0.23 Lacs) which has been accounted for as Loans and Advances. Going by the merit of the case, possibility of any future cash outflow seems remote. No provision has been made due to above reason.
 - (iv) Rs. 56.74 Lacs (Rs. 56.74 Lacs) has been claimed by the sales tax officer, Baripada, Orissa on assessment of Sales Tax for the year 2004-2005 which has been reduced to Rs. 10.60 Lacs. In respect of such claims a stay petition has been granted by Commissioner of Commercial Tax against payment of Rs. 18 Lacs (Rs. 18 Lacs) which has been accounted for as Loans and Advances. Going by merit of the case, the possibility of future cash outflow seems remote. No provision has been made.
 - (v) Estimated amount of contingent liability on account of sales tax amount of Rs. 475.29 Lacs (Rs. 475.29 Lacs) arising out of demands not admitted by the Company and for which appeal have been filed with the appropriate authorities as the Company is of the opinion that the disputes will be resolved in it's favour. Going by the merit of the case, possibility of any future cash outflow seems remote. No provision for the deposit has been made for the outflow.

**SCHEDULES TO THE BALANCE SHEET (Contd.)**

- (vi) (a) Rs. 115.79 Lacs (Rs. 115.79 Lacs) has been claimed by the Asst. Commissioner of Commercial Tax, Balasore, on assessment of Sales Tax for the year 2005-06 which has also been disputed by the Company. In respect of such claims payment of Rs. 35 Lacs (Rs. 35 Lacs) has been made. This has been accounted for as Loan and Advances till 31st December, 2008.
- (b) Rs. 21.89 Lacs (Rs. 21.89 Lacs) has been claimed by the Asst. Commissioner of Commercial Tax, Balasore, on assessment of Entry Tax for the year 2005-06 which has also been disputed by the Company. In respect of such claims payment of Rs. 5.50 Lacs (Rs. 5.50 Lacs) has been made. This has been accounted for as Loan and Advances till 30th June, 2008. Going by the merit of the cases, possibility of any future cash outflow in respect of both the demands seem remote. No provision has been made due to above reason.
- (c) Rs. 106.50 Lacs (Rs 106.50 Lacs) has been claimed by the Asst. Commissioner of Commercial Tax, Balasore, on assessment of Entry Tax for the year 2006-07 which has also been disputed by the Company. In respect of such claims stay appeal is pending against deposit of Rs. 15.00 Lacs. Going by merit of the case, the possibility of future cash outflow in this regard seems remote.
- (d) Rs. 11.38 Lacs (Rs 11.38 Lacs) has been claimed by the Asst. Commissioner of Commercial Tax, Balasore, on assessment of Entry Tax for the year 2006-07 which has also been disputed by the Company. In respect of such claims stay appeal is pending against deposit of Rs. 0.76 Lacs. Going by merit of the case, the possibility of future cash outflow in this regard seems remote.
- (e) Arbitration award for Rs. 45.23 Lacs (Rs. 45.23 Lacs) in favour of the Indian Railways which has been stayed by the Allahabad District Court. Moreover, invocation of the performance guarantee has been stayed till disposal of the company's petition against the award. Since disposal of the petition is being delayed, a writ petition through Allahabad High Court is being moved for speedy disposal of the petition. No reliable estimate can be made for the amount of obligation, if any, with possible impact thereof on future cash outflow.
- (f) Advances recoverable in cash or in kind or for value to be received include Rs. 96.85 Lacs (Rs. 96.85 Lacs) pertaining to a guarantee invoked by a customer. The action of the customer was challenged in High Court, Ranchi and was favourably disposed of in favour of the Company. But the customer has taken up the matter to Supreme Court. Supreme Court advised to expedite completion of arbitration filed by the Company. The arbitration award was also issued in favour of the Company. The Company has now filed application for execution of award.
- (g) ONGC has invoked performance guarantee for Rs. 438 Lacs furnished by bank on behalf of the Company following dispute between the Company and ONGC management concerning execution of a contract. The Company has contested action of ONGC in Hon'ble High Court Kolkata on the ground of unilateral action deliberately undertaken to thwart the progress of execution of contract for latter's own reason. Based on legal opinion, suggestive of merit of the case in Company's favor, no provision has been made against the amount involved under bank guarantee invoked (including payments already made to bank) and dues from ONGC against relevant contract. The High Court now referred the matter to arbitration.

(II) Contingent liabilities provided for in terms of AS 29 issued by ICAI

(a) Particulars	Opening Provision	Provisions made during the year	Provisions withdrawn during the year	Closing Provision	Forum where the dispute is pending
Provision for doubtful advance	10.00	Nil	Nil	10.00	Kerala High Court



SCHEDULES TO THE BALANCE SHEET (Contd.)

(b) Following dispute between Company and Kerala State Electricity Board, the latter has encashed the Performance Guarantee issued by Bank in favour of the Company. The action of customer has been challenged by the Company in Kerala High Court.

(III) Sale of finished goods is net of claims etc, relating to earlier periods settled in the current period.

(IV) Sales include sale of manufacturing scrap Rs. 421.09 Lacs (Rs. 692.16 Lacs).

(V) Deferred Tax :

Recognition of deferred tax asset is attributed to management affirmation of virtual certainty of future profit considering inter alia, CDR approval of company's revival scheme.

	(Rs. in Lacs)	
	As at 31st March, 2010	As at 31st March, 2009
A. Deferred Tax Assets		
Loss	5849.06	4,853.25
Employee related dues	<u>199.37</u>	<u>201.48</u>
Sub Total (A)	<u>6,048.43</u>	<u>5,054.73</u>
B. Deferred tax liability	<u>1,522.16</u>	<u>1,695.02</u>
Net Deferred Tax	<u>4,526.27</u>	<u>3,359.71</u>
C. Deferred Tax Liability/(Asset) recognised for the year	1,166.56	128.20

(VI) (a) Parties under MSMED Act, 2006, including the category they belong to, have being identified on the basis of information from respective parties responses.

(b) Particulars of due to creditors registered under MSMED Act, 2006 are given hereunder

Particulars	2009-10		
	Principal	Interest	Total
1. The Principal amount and the interest due thereon (to be shown separately) remaining unpaid to any suppliers as at the end of each accounting year	336.73	35.52	372.25
2. Amount of interest paid by the Buyer in terms of Sec 16 of MSMED Act 2006, along with the payment made to the supplier beyond the appointed day during each Accounting year		NA	
3. The amount of Interest due and payable for the period of delay in making payment but without adding the interest under MSMED Act 2006		8.77	8.77
4. The amount of Interest accrued and remaining unpaid at the end of each Accounting year		44.29	44.29
5. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure under Section 23 of the MSMED Act, 2006.		8.94	8.94



SCHEDULES TO THE BALANCE SHEET (Contd.)

(VII) Segment Report : (Pursuant to AS 17 issued by ICAI)

The business segments have been identified based on the nature of products of the Company. Accordingly Cable segment as a business segment for Power Cables and Project as a segment for Turnkey Engineering Projects have been identified.

Rs. in Lacs					
	Cable Operation	Project	Unallocated *	Elimination	Total
SEGMENT REVENUE					
(a) External sales	20,114.27	11,898.53	2,063.57	—	34,076.37
PY	26,598.14	10,119.05	2,031.21	—	38,748.40
(b) Inter Segment Sales	—	—	—	—	—
PY	—	—	43.14	(43.14)	—
(c) Total Revenue	20,114.27	11,898.53	2,063.57	—	34,076.37
PY	26,598.14	10,119.05	2,074.35	(43.14)	38,748.40
Less : Excise	1,255.75	—	—	—	1,255.75
PY	2,620.99	—	—	—	2,620.99
Net Sales	18,858.52	11,898.53	2,063.57	—	32,820.62
PY	23,977.15	10,119.05	2,074.35	(43.14)	36,127.41
SEGMENT RESULT					
Gross Profit Before Interest & Depreciation	788.72	(2,635.74)	(254.95)	—	(2,101.97)
PY	384.37	(647.93)	(957.79)	—	(1,221.35)
Depreciation	553.12	22.81	238.95	—	814.88
PY	572.72	25.32	277.21	—	875.25
Profit & Loss after Depreciation	235.60	(2,658.54)	(493.90)	—	(2,916.85)
PY	(188.35)	(673.25)	(1,235.00)	—	(2,096.60)
Interest	1,848.27	512.77	4.62	—	2,365.66
PY	2,397.11	368.15	82.79	—	2,848.05
Net Profit from ordinary activities	—	—	—	—	(5,282.51)
PY	—	—	—	—	(4,944.65)
Profit before Taxation	—	—	—	—	(5,282.51)
PY	—	—	—	—	(4,944.65)
Deferred Tax & Fringe Benefit Tax	—	—	—	—	1,058.62
PY	—	—	—	—	(186.27)
Net Profit	—	—	—	—	(4,223.89)
PY	—	—	—	—	(5,130.92)
Segment Asset	16,038.54	8,968.87	3,526.42	—	28,533.83
PY	16,818.23	7,360.01	5,152.34	—	29,330.58
TOTAL ASSET (Note 2)	—	—	—	—	28,533.83
PY	—	—	—	—	29,330.58
Segment Liability	12,881.26	8,185.52	7,766.26	—	28,833.04
PY	11,365.00	6,453.55	7,410.66	—	25,229.21
TOTAL LIABILITIES	—	—	—	—	28,833.04
PY	—	—	—	—	25,229.21
CAPITAL EXPENDITURE DURING THE YEAR	4.83	1.49	58.70	—	65.02
PY	38.16	43.33	27.52	—	109.01
Non Cash Expenditure	—	—	—	—	—
PY	—	—	6.50	—	6.50

* Relates to unallocated segment.

- Note : 1. Liabilities do not include long term loans.
 2. Revaluation Reserve has been left out of the purview of the Total Asset.
 3. Unallocated segment results inter alia include the following of the erstwhile Kalyani unit not presently in operation :
- Expenses of Rs. Nil (Rs. 6.50 Lacs), interest Rs. Nil Lacs (Rs. Nil Lacs) and depreciation of Rs. 173.99 Lacs (Rs. 191.00 Lacs).
 - Segment Assets amounting to Rs. 1,338 Lacs (Rs. 1,512 Lacs).
 - Segment Liability amounting to Rs. 25 Lacs (Rs. 25 Lacs) — Current Liabilities.
 - PY relates to previous year.

b) Geographical Segment (Secondary Segment)	
Domestic Sales	34,057.65 Lacs
Export Sales	18.72 Lacs



SCHEDULES TO THE BALANCE SHEET (Contd.)

(VIII) Information on Related parties pursuant to AS 18 issued by ICAI

Related Party disclosures :

- I) List of Related Parties where control exists : Nil
 II) Other related Parties in Transaction with the Company

(A)	Associates	
	Nicco Ventures Ltd. (Formerly Nicco Internet Ventures Ltd.) (Associate)	
	Nicco Financial Services Ltd. (Associate)	
	Nicco Parks & Resorts Ltd. (Associate)	
	Nicco Institute of Bio Technology (NERT) — Trust	Significant control exists
(B)	Key Management Personnel (KMP)	
	Mr. Rajive Kaul	
	Mr. Udayan Ray	
	Mr. Sanjoy Bhattacharya	Director upto 30.09.09
	Mr. M. K. Ogra	
	Mr. S. K. Pal	
	Mr. Shiv Siddhant Narayan Kaul	Relative of KMP
(C)	Ms. Pallavi Priyadarshini Kaul	Relative of KMP

The following transactions were carried out with related parties in the ordinary course of business.

(a) Joint Venture & Associates.

	Rs. in Lacs		KMP	KMP	Rs. in Lacs	
	Associates/ Significant Influence and Trust 31.03.10	Associates/ Significant Influence and Trust 31.03.09			Relatives of KMP 31.03.10	Relatives of KMP 31.03.09
Purchase of Goods						
Remuneration			Rs. 62.90	Rs. 81.25	Rs. 22.23	Rs. 20.13
Directors Fees					Rs. 0.64	Rs. 0.20
Rendering Services						
NPRL	Rs. 0.32	Rs. 0.91				
Guarantees outstanding	Rs. Nil	Rs. 194.89				
Receivables from NERT (Asset)	—	—				
Investment in Associates:						
Nicco Parks & Resorts Limited	Rs. 120.49	Rs. 120.49				
Nicco Ventures Limited	Rs. 91.96	Rs. 91.96				
Nicco Financial Services Limited (in Share)	Rs. 25.94	Rs. 25.94				
Nicco Financial Services Limited (in Debentures)	Rs. 90.50	Rs. 90.50				
Nicco Institute of Bio Technology (NERT)						
— Financing	Rs. Nil	Rs. 40.08				
Asset Transfer	Rs. Nil	Rs. 41.83				

(IX) Employee Benefits :

Following adjustments relating to employee benefits have been made in these accounts in keeping with Accounting Standard 15 (Revised) issued by the Institute of Chartered Accountants of India.

- (a) Expenses under defined contribution plans in terms of following break up has been recognised during the year.
 Details given below :

Particulars	For the year ended	For the year ended
	on 31.03.2010	on 31.03.2009
	Rs. Lakhs	Rs. Lakhs
Provident Fund	102.80	90.89
Employees Pension Scheme	79.17	83.68
Employees State Insurance	5.25	19.36
Others	—	4.79

**SCHEDULES TO THE BALANCE SHEET (Contd.)**

(b) Particulars in respect of post retirement benefit under defined benefit plans :

Description	Gratuity (Funded) (Rs. Lakhs)	Leave Salary (Non-Funded) (Rs. Lakhs)	Superannuation (Funded) (Rs. Lakhs)	Total (Rs. Lakhs)
A Reconciliation of opening and closing balances and obligation				
(a) Opening as at 1.4.09	668.41	218.97	465.84	1,353.22
(b) Past Service Cost	63.41	—	23.58	86.99
(c) Current Service Cost	43.70	71.77	20.88	136.35
(d) Interest Cost	56.94	16.45	38.97	112.36
(e) Actuarial (gain)/loss	9.16	(63.29)	(19.72)	(73.85)
(f) Benefits paid	(43.17)	(26.47)	(98.79)	(168.43)
(g) Obligation as at 31.03.10	798.45	217.43	430.76	1,446.64
B. Change in Plan Assets (Reconciliation of opening & closing balances)				
(a) Fair Value of plan assets as at 1.4.09	395.16	—	324.81	719.97
(b) Expected return on plan assets	110.92	—	25.98	136.90
(c) Actuarial (gain)/loss	(8.47)	—	(2.79)	(11.26)
(d) Contributions by the employer	103.17	—	28.87	132.04
(e) Benefits paid	(43.17)	—	(98.79)	(141.96)
(f) Fair Value of plan assets as at 31.03.10	557.61	—	278.08	835.69
C. Reconciliation of fair value of plan assets and present value of defined benefit obligation				
(a) Present Value of obligation as at 31.03.10	798.45	217.43	430.76	1,446.64
(b) Fair Value of plan assets as on 31.03.10	557.61	—	278.08	835.69
(c) Amount recognized in the balance sheet	240.84	217.43	152.68	610.95
D. Expense recognized in the period				
(a) Current Service Cost	43.70	71.77	20.88	136.35
(b) Past Service Cost	63.41	—	23.58	86.99
(c) Interest Cost	56.94	16.45	38.97	112.36
(d) Expected return on plan assets gain/(loss)	110.92	—	25.98	136.90
(e) Actuarial (gain)/loss	17.63	(63.29)	(16.94)	(62.60)
(f) Expense recognized in the period (a+b+c+d+e)	70.76	24.93	40.51	136.20
E. Investment Details of Plan Assets				
				% age Invested
(a) GOI Securities				—
(b) Public Sector Unit Bonds				—
(c) State/Central Guaranteed Securities				—
(d) Reimbursement Right from Insurance Companies				98.64
(e) Special Deposit Schemes				1.09
(f) Other (including bank balances)				0.27
F. Assumptions				
(a) Discount rate (per annum) (%)				8.00
(b) Estimated rate of return on plan assets (per annum) (%)				8.00
(c) Inflation Rate (%)				5.00
(d) Remaining Working Life (in years)				15.00
(e) Method Used				Projected unit credit method
(f) Mortality factor				As per LIC (1994-96) ultimate criteria
(g) Staff Turnover				10/1000 per annum
(h) Superannuation age				At 60 years
Basis of determination of respected date of return				Return on long term investment in government Bond
G. Off Balance Sheet liability towards Superannuation against transitional provisions works out to Rs. 47.17 Lacs amortisable equally over next 2 years after providing Rs. 23.58 Lacs for the year.				



SCHEDULES TO THE BALANCE SHEET (Contd.)

(X) Information on Hire Purchase deals Pursuant to AS – 19 issued by ICAI

A As Lessee

I. CARRYING AMOUNT (Rs. in Lacs)

	31.03.10	31.03.09
A. Plant & Machinery	36.27	85.44
B. Vehicle	27.91	51.25
C. Computer	—	0.31

II. MINIMUM LEASE PRICE PAYMENT

	UPTO 1 YEAR	1 TO 5 YEAR	>5 YEAR
A. Plant & Machinery	3.98	—	Nil
B. Vehicle	11.40	2.48	Nil
C. Computer	—	—	Nil

III. PRESENT VALUE

	31.03.10	31.03.09
A. Plant & Machinery	3.65	—
B. Vehicle	13.01	—
C. Computer	—	—

IV. HP CHARGES RECOGNISED IN P/L A/C DURING THE YEAR (RS. IN LACS)

	31.03.10	31.03.09
A. Plant & Machinery	2.20	11.54
B. Vehicle	6.04	3.63
C. Computer	—	0.65
	<u>8.24</u>	<u>15.82</u>

(XI) One of the banks has charged company's cash credit Account by Rs. 59 lacs during the nine months period contrary to accepted settlement. The conduct of the bank has not been accepted by the company and is taken up with appropriate authority.

(XII) Customs duty on imported goods payable on clearance of goods are estimated at Rs. 12.42 Lacs (Rs. 7.93 Lacs) which is neither included in expenditure nor included in the value of such stocks.

(XIII) Information pursuant to AS 28

Cable Division at Baripada, Shyamnagar, Project Division and NESL constitute four cash generating units (CGU).

Common fixed assets have been apportioned among CGU's in the ratio of written down value of fixed assets held by respective units.

Since value in use, arrived at by way of discounting future cash flow as on date as estimated by management during assessed life of plants in terms of technical evaluation for each CGU, exceeds written down value of assets relevant thereon, no provision for any loss on account of impairment of fixed assets has been made in accounts thereby also ruling out the cause of ascertaining the net selling price of the assets.

Discount factor @ 12% p.a. has been applied for arriving at as on date value of future cash flow which includes 2% against risk factors. Certain fixed assets are earmarked for transfer to Cable Operations at book value for which no impairment is deemed necessary for obvious reason.

(XIV) Information pursuant to AS 7 (relates to contracts entered into since 01.04.2003).

- (a) Contract revenue recognized as revenue Rs. 11,834.31 Lacs (Rs. 3,696.13 Lacs).
- (b) Retention amount (forming part of debtors) Rs. 236.01 Lacs (Rs. 68.10 Lacs).
- (c) Due from customers on account of contract work Rs. 5,051.96 Lacs (Rs. 1,396.23 Lacs).
- (d) Aggregate of cost incurred on construction contract Rs. 12,903.56 Lacs (Rs. 3,075.76 Lacs).
- (e) Aggregate of Profit/(Loss) recognized against construction contract Rs. 1,069.25 Lacs (Rs. 620.37 Lacs) on the basis of direct cost only.
- (f) The amount of advances received Rs. 123.42 Lacs (Nil).

**SCHEDULES TO THE BALANCE SHEET** (Contd.)

(XV) Information on Associates pursuant to AS 23 issued by ICAI

1	Name of the Associates :	Nicco Ventures Limited
	Extent of Stake in Associate :	49.70%
	% of Voting Power :	49.70%
		(Rs. In Lacs)
	Acquisition cost of Investment of Equity Method (Excluding Goodwill of Rs. 7.04 Lacs)	84.92
	Add : Share of Post acquisition Profit up to 31.03.2009	68.82
		<u>153.74</u>
	Less: Share of Loss for the year ended on 31.03.2010	(17.38)
	Value of Investment as on 31.03.2010	<u>136.36</u>
2	Name of Associates:	Nicco Parks & Resorts Limited
	Extent of Stake in Associate:	25%
	% of Voting Power :	25%
		(Rs. In Lacs)
	Acquisition cost of Investment of Equity Method (Including Capital Reserve of Rs. 0.68 Lacs)	121.17
	Add : Share of Post acquisition Profit up to 31.03.2009	289.76
		<u>410.93</u>
	Add: Share of Post acquisition Profit for the year ended 31.03.2010	110.18
	Value of Investment as on 31.03.2010	<u>521.11</u>
3	Name of Associates:	Nicco Financial Services Limited
	Extent of Stake in Associate:	49.70%
	% of Voting Power :	49.70%
		(Rs. In Lacs)
	Acquisition cost of Investment of Equity Method	25.94
	Add : Share of Post acquisition Profit up to 31.03.2009	51.81
		<u>77.75</u>
	Less: Share of Post acquisition Profit for the year ended 31.03.2010	0.01
	Value of Investment as on 31.03.2010	<u>77.76</u>

(XVI) Earning Per Share :

Earning Per Share (Basic & Diluted)		Year ended 31.03.10	Year ended 31.03.09
Profit after Tax	(Rs./-)	(41,16,15,185.71)	(50,87,84,155.95)
Less :			
Preference Dividend 5%	(Rs./-)	1,09,15,000.00	1,09,15,000.00
A. Amount used as numerators in calculating basic & diluted earning per share.		(42,25,30,185.71)	(51,96,99,155.95)
Weighted average no. of Equity Share (No.)		91,612,924	90,698,847
E. Earning Per Share (Basic)	(Rs./-)	(4.61)	(5.73)
F. Earning Per Share (Diluted)	(Rs./-)	(4.61)	(5.73)

Note : EPS of the previous year has been adjusted in terms of current status.

(XVII) Other notes have been covered in individual financial statements of holding and the subsidiary companies.

(XVIII) Arrears of Dividend on Cumulative Preference Shares Rs 659.15 Lacs (Rs.550 Lacs).

(XIX) During the year ended March 2010 restructuring of the Company's Debt under CDR mechanism was implemented. Furthermore, normal operations of the cable manufacturing units were adversely affected due to continuing labour unrest leading to suspension of work in Baripada factory since mid November 2009.



SCHEDULES TO THE BALANCE SHEET (Contd.)

- (XX) Out of total collection of application money under capital restructuring scheme, Rs. 0.74 crores are pending allotment to NRETF for which necessary formalities are being complied.
- (XXI) In compliance with CDR approved package and pursuant to a High Court approval, a reduction of share capital of Nicco Engineering Services Limited (NESL) a wholly subsidiary, was carried out. This resulted in:
- Nicco Corporation Limited (NCL) receiving an amount of Rs. 506 Lacs in cash and consequent reduction of investment in subsidiary company.
 - A profit of Rs. 101 Lacs in cash, being the excess payment received from the said subsidiary vis-a-vis proportionate book value of the investment surrendered. This has been recognized as extra ordinary income.
- (XXII) Capital base of the Company has been enhanced by Rs. 200 Lacs pursuant to allotment of 36,56,307 Equity Shares of Rs. 2/- each at a premium of Rs. 3.47 per share to Nicco Employees Restructuring Trust Fund in line with CDR package.
- (XXIII) Advances recoverable in cash or in kind or for value to be received includes expenditure in progress aggregating Rs. 39.48 Lacs towards partial repair of building damaged by fire, the building being adequately insured against fire damages. Said amount has not been provided for the expectation of insurance compensation claim thereof to be lodged on completion of repair work.
- (XXIV) 1,10,000 5% cumulative redeemable preference shares of Rs. 100/- each, pertaining to a preference share holder only, was due for redemption on February 1, 2010. The same is expected to be renewed for a further period with the consent of the preference shareholder.
- (XXV) Unsecured loan, repayable within a year but renewable as felt by management, is not to be disclosed under short term category.
- (XXVI) Figures in brackets relates to previous period/year.
- (XXVII) Figures have been regrouped and rearranged wherever necessary.
- (XXVIII) Schedule 1 to 24 form an integral part of these accounts.

For G. BASU & CO.
Chartered Accountants
R. No :- 301174E

Basu House
3, Chowringhee Approach
Kolkata-700 072

Dated, the 21st day of May, 2010

As per our attached Report of even date

J S PAUL
Sr. Vice President
& Co. Secretary

On behalf of the Board of Directors

N DAS Director & Chairman
— Audit Committee

UDAYAN RAY Managing Director

RAJIVE KAUL Chairman

DEEPAK GUHA Sr. Vice President & CFO



NICCO CORPORATION LIMITED

Registered Office : NICCO HOUSE, 2, HARE STREET, KOLKATA-700 001

27TH ANNUAL GENERAL MEETING
AT "WILLIAMSON MAGOR HALL", OF THE BENGAL CHAMBER OF
COMMERCE & INDUSTRY, 6, Netaji Subhas Road, Kolkata-700 001.
on Tuesday, the 28th September, 2010 at 3.00 P.M.

ATTENDANCE SLIP

Name & Address of the Member	Folio No.	_____
	DP ID No.	_____
	Client ID No.	_____
	No. of Shares	_____
Name of Proxy (If attending for Member(s))		

I hereby record my presence at the 27th Annual General Meeting of the Members of the Company at Williamson Magor Hall, of the Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata-700 001 at 3.00 P.M. on Tuesday, 28th September, 2010.

SIGNATURE OF THE ATTENDING MEMBER/PROXY :

Tear Here



NICCO CORPORATION LIMITED

Registered Office : NICCO HOUSE, 2, HARE STREET, KOLKATA-700 001

PROXY FORM

I/We of

being a Member / Member(s) of the above named company hereby appoint

..... of

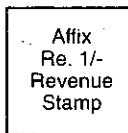
or failing him of

as my / our proxy to attend and vote for me / us on my / our behalf at the 27th Annual General Meeting of the Members of the Company to be held on Tuesday, 28th September, 2010 at 3.00 P.M. at the Williamson Magor Hall, of the Bengal Chamber of Commerce & Industry, 6, Netaji Subhas Road, Kolkata-700 001.

Signed this day of 2010.

Registered Folio No. / DP ID / Client ID

No. of Shares held



(Signature)



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NICCO HOUSE
2, HARE STREET
KOLKATA-700 001
INDIA
PHONE : 6628-5000