

NORTH EASTERN CARRYING CORPORATION LIMITED

NOTICE

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Shareholders of NORTH EASTERN CARRYING CORPORATION LIMITED will be held on Wednesday, 30th day of September, 2009 at the Registered Office of the Company at 9062/47, Ram Bagh Road, Azad Market, Delhi – 110006 at 10.30 A. M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at March 31st, 2009 and the Profit & Loss Account for the year ended on that date together with the Auditor's Report and Director's Report thereon.
2. To appoint a director in place of Shri Sanjeev Jain who retires by rotation and being eligible offers himself for reappointment on the existing terms & conditions.
3. To appoint a director in place of Shri Praveen Kumar Jain who retires by rotation and being eligible offers himself for reappointment on the existing terms & conditions.
4. To appoint a director in place of Shri Roshan Dabriwal who retires by rotation and being eligible offers himself for reappointment.
5. To appoint the Auditors to hold office from the conclusion of this meeting to the conclusion of the next Annual General Meeting and 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 pursuant to the provision of section 257 of the Companies Act, 1956 Mr. Vinay Jain, who was appointed as an additional director by the Board of Directors of the Company and whose term expires at this Annual General Meeting, be and is hereby appointed director of the company.
7. To Consider and, if thought fit, to pass with or without modification(s) the following Resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provision of section 257 of the Companies Act, 1956 Mr. Manoj Jain, who was appointed as an additional director by the Board of Directors of the Company and whose term expires at this Annual General Meeting, be and is hereby appointed director of the company.

On behalf of the Board of Directors of
NORTH EASTERN CARRYING CORPORATION LIMITED

Place: Delhi
Date: 30.06.2009

(Jaswant Rai Jain) (Sunil Kumar Jain)
Director Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. THE PROXY, IN ORDER TO BE VALID, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER 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 FRIDAY, THE 25TH DAY OF SEPTEMBER, 2009 TO WEDNESDAY, THE 30TH DAY OF SEPTEMBER, 2009 (BOTH DAYS INCLUSIVE).
4. THE EXPLANATORY STATEMENT, PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF ITEM No. 6 & 7 AS SET OUT ABOVE, IS ANNEXED HERETO.

NORTH EASTERN CARRYING CORPORATION LIMITED

**EXPLANATORY STATEMENT PURSUANT TO
SECTION 173(2) OF THE COMPANIES ACT, 1956**

ITEM No. 6

Mr. Vinay Jain was appointed Additional Director pursuant to the provisions of section 260 of the Companies Act, 1956 by the Board of Directors at its meeting held on 10.11.2008. The term of Mr. Vinay Jain as additional director expires at the ensuing Annual General Meeting. However, the company has received a notice under section 257(1) of the Companies Act, 1956 proposing Mr. Vinay Jain as director. The board recommends the resolution for shareholders approval.

Mr. Vinay Jain, Director is interested in the resolution.

ITEM No. 7

Mr. Manoj Kumar Jain was appointed Additional Director pursuant to the provisions of section 260 of the Companies Act, 1956 by the Board of Directors at its meeting held on 24.03.2009. The term of Mr. Manoj Kumar Jain as additional director expires at the ensuing Annual General Meeting. However, the company has received a notice under section 257(1) of the Companies Act, 1956 proposing Mr. Manoj Kumar Jain as director. The board recommends the resolution for shareholders approval.

Mr. Manoj Jain, Director is interested in the resolution.

On behalf of the Board of Directors of
NORTH EASTERN CARRYING CORPORATION LIMITED

Place: Delhi
Date: 30.06.2009

(Jaswant Rai Jain) (Sunil Kumar Jain)
Director Director

NORTH EASTERN CARRYING CORPORATION LIMITED

DIRECTORS' REPORT

TO THE SHAREHOLDERS,

The Directors have pleasure in presenting the Twenty Fourth Annual Report on the business and operations of the Company and the Audited statement of Accounts for the year ended March 31st, 2009.

1. FINANCIAL RESULTS:

The Financial results of the Company for the year under report are as under:

(Rupees In Lacs)

Particulars	For the	
	year ended	year ended
	31.03.2009	31.03.2008
Profit before Depreciation & I. Tax	55,997,432	47,998,097
Less: Depreciation	20,449,059	18,011,485
Profit after depreciation	35,548,373	29,986,612
Less: Provision for Income Tax	9,444,563	10,057,345
Less: Provision for Fringe Benefit Tax	1,296,751	1,198,340
Less: Provision for Wealth Tax	25,000	25,000
Add/(Less): Deferred Tax Saving/(Liability)	2,695,572	(529,950)
Add/(Less): Previous Year Adjustment	43,900	-
Profit After Taxation	22,139,449	19,235,877
Add: Profits Brought Forward	68,381,426	49,145,549
Balance Carried Over to Balance Sheet	90,520,875	68,381,426

2. DIVIDEND:

Due to inadequate profit, no dividend has been recommended for the year. No transfer to reserves is made.

3. DIRECTORS:

Shri Sanjeev Jain, Shri Praveen Kumar Jain and Shri Roshan Dabriwal, Directors of the company, retire by rotation and being eligible offer themselves for reappointment. Their re-appointment is subject to the approval of members at the ensuing Annual General Meeting. Mr. Vinay Jain and Mr. Manoj Jain, who were appointed as Additional Directors, offer themselves for appointment as Directors.

4. AUDITORS' REPORT:

Auditor's Report on the Final Accounts of the Company is attached herewith. The auditor's report does not contain any adverse remark.

5. AUDITORS:

M/s SANGHI & COMPANY, Chartered Accountants retire at the conclusion of this Annual General Meeting and being eligible, offer themselves for reappointment to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting.

6. PUBLIC DEPOSITS:

The company has not accepted any deposits within the meaning of section 58A of the Companies Act, 1956 and the rules framed there under.

7. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO:

There is nothing to be disclosed in respect of Conservation of Energy, Form A of Companies (Disclosure of particulars in the Report of Board of Director) Rules, 1988 does not apply to your Company since the company is not engaged in any manufacturing activity. No agreement has been entered into for Technology absorption. The foreign exchange outgo is NIL/-

8. INFORMATION PURSUANT TO LISTING AGREEMENT WITH DSE:

The names and addresses of the Stock Exchanges where the Company' s shares are listed:-

The Delhi Stock Exchange Association Limited
3 & 4/4 B, Asaf Ali Road,
New Delhi – 110 002.

The listing fee for 2008-09 has been paid and there being neither de-listing nor suspension of shares from Trading during the year under review.

9. PARTICULARS OF EMPLOYEES:

Particulars as required under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are NIL since none of the employees during the year has earned a monthly remuneration of Rs.200000/- or more.

10. DIRECTORS QUALIFICATION U/s. 274(1)(g):

The Board of Directors hereby confirm and represent that none of the directors of the company is disqualified from being appointed as director U/s. 274(1)(g) of the Companies Act, 1956.

11. DIRECTORS RESPONSIBILITY STATEMENT U/s. 217(2AA):

- (a) The applicable accounting standards along with proper explanations relating to material departures have been followed in the preparation of the annual accounts.
- (b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31st, 2009 and of the profit/loss of the company for the year ended March 31st, 2009.
- (c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (d) The directors have prepared the annual accounts on a going concern basis.

12. CORPORATE GOVERNANCE:

Your Company believes in achieving highest standard of Corporate Governance. A Separate report on the Corporate Governance and management discussion and analysis is attached.

13. ACCOUNTING STANDARDS:

The Institute of Chartered Accountants of India has introduced various Accounting Standards to make the financial statements and disclosures in line with the international accounting practices and disclosures. The main accounting standards implemented by your company are AS 18 - Related Party Disclosure, AS 20 – Earning Per Share and AS 22 – Accounting for Taxes on Income. There is nothing to be disclosed under AS 17 – Segment Reporting since there is no business segment or geographical segment, which is a reportable segment based on the definitions contained in the accounting standard.

14. ACKNOWLEDGEMENT

The directors acknowledge the dedicated services of the employees of the company during the year under review.

On behalf of the Board of Directors of
NORTH EASTERN CARRYING CORPORATION LIMITED

Place: Delhi
Date: 30.06.2009

(Jaswant Rai Jain) (Sunil Kumar Jain)
Director Director

Composition, Category and attendance of each director including retired/resigned, at the Board Meetings and the last Annual General Meeting as on March 31st, 2009

Name	Position	Category	Change		Attendance			No. of Directorship in other public company	No. of Committee position held in other public company	
					BM* during tenure		AGM		As Chairman	As Member
			Appt.	Resign	Held	Attend				
Sh. Sunil Kumar Jain	Chairman	Executive	10.10.1994	-	20	20	Yes	3	-	5
Sh. Jaswant Rai Jain	Director	Executive	30.09.1995	-	20	15	Yes	-	-	-
Sh. Kailash Chand Jain	Director	Executive	30.09.1995	25.11.2008	13	08	Yes	-	-	-
Sh. Praveen Jain	Director	Executive	03.01.1986	-	20	02	No	1	-	-
Sh. Sanjiv Jain	Director	Executive	10.10.1994	-	20	07	No	1	-	-
Sh. Roshan Dabriwal	Director	Non-Ex&I*	18.09.2004	-	20	11	Yes	-	-	-
Sh. Kamal Jain	Director	Non-Ex&I*	18.09.2004	-	20	02	No	-	-	-
Sh. Vinay Jain	Add. Director	Non-Ex&I*	10.11.2008	-	08	04	No	1	-	-
Sh. Manoj Kr. Jain	Add. Director	Non-Ex&I*	23.03.2009	-	01	01	No	-	-	-
Sh. Satish Chand Jain	Director	Non-Ex&I*	18.09.2004	30.09.2008	10	03	Yes	-	-	-
Sh. Sudhir Kumar Jain	Director	Non-Ex&I*	18.09.2004	30.09.2008	10	04	Yes	-	-	-
Sh. Rajeev Khemka	Director	Non-Ex&I*	18.09.2004	30.09.2008	10	05	Yes	-	-	-

***Non-Ex & I - Non-Executive & Independent Director**

NOTE:

- Private Limited Companies, Foreign Companies and Companies constituted under section 25 of the companies Act, 1956 are excluded for the above purpose.
- Only Audit Committee and Share Transfer/Investors Grievance Committee are considered for the purpose of Committee positions as per Listing Agreement.
- None of the Director is a member of more than ten Board level committees or a chairman of five such committees as required under clause 49 of the listing agreement.
- None of the independent directors is related to any other directors. None of the independent directors has any business relationship with the Company.

Board Meeting Held

During the year the Board of Directors of North Eastern Carrying Corporation Limited met 20 times i.e. 01.04.2008, 05.04.2008, 16.04.2008, 29.04.2008, 06.05.2008, 17.05.2008, 30.06.2008, 31.07.2008, 05.09.2008, 22.09.2008, 30.09.2008, 31.10.2008, 10.11.2008, 28.11.2008, 03.12.2008, 05.01.2009, 31.01.2009, 25.02.2009, 19.03.2009, 24.03.2009 on the maximum gap between any two meetings was not more than four months.

BOARD COMMITTEE**AUDIT COMMITTEE**

The terms of reference of the Audit Committee covers the areas mentioned under clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. The changes in committee during the year under review and the composition of the committee as on 31st March 2009 is as under:

Members	Designation	Category (as Director)	Particulars of change		No. of meeting attended
			Appointment	Resignation	
Sh. Roshan Dabriwal	Chairman	Non –Executive & Independent	18.09.2004	-	4
Sh. Kamal Jain	Member	Non –Executive & Independent	18.09.2004	-	1
Sh. Vinay Jain	Member	Non –Executive & Independent	28.11.2008	-	2
Sh. Kailash Chand Jain	Member	Executive	30.09.2008	25.11.2008	1
Sh. Rajeev Khemka	Member	Non –Executive & Independent	18.09.2004	30.09.2008	2
Sh. Sudhir Kumar Jain	Member	Non –Executive & Independent	18.09.2004	30.09.2008	1

During the year the committee has met 5 times on June 28th 2008, July 31st; 2008, October 31st; 2008 January 31st; 2009 and March 24th; 2009. The minutes of the Audit Committee were placed before the Board.

REMUNERATION COMMITTEE

In compliance with Schedule XIII of the Companies Act, 1956, relating to appointment of Director, Remuneration Committee was constituted on September 18th 2004 by Board of Directors. The changes in committee during the year under review and the composition of the committee as on 31st March 2009 is as under:

Members	Designation	Category (as Director)	Particulars of change		No. of meeting attended
			Appointment	Resignation	
Sh. Vinay Jain	Chairman	Non –Executive & Independent	28.11.2008	-	2
Sh. Roshan Dabriwal	Member	Non –Executive & Independent	18.09.2004	-	2
Sh. Kamal Jain	Member	Non –Executive & Independent	30.09.2008	-	1
Sh. Kailash Chand Jain	Member	Executive	30.09.2008	25.11.2008	0
Sh. Rajeev Khemka	Member	Non –Executive & Independent	18.09.2004	30.09.2008	1
Sh. Sudhir Kumar Jain	Chairman	Non –Executive & Independent	18.09.2004	30.09.2008	2

Remuneration Committee meeting was held on April 07th 2008, July 31st, 2008, November 28th 2008 and March 24th 2009. All the members were present at the meeting. The committee has reviewed the remuneration paid to the director of the company and is satisfied with the same, not recommending any change thereof.

Remuneration of Directors

Details of remuneration to be paid to directors during 1st April 2008 to 31st March 2009 & part thereof:

Name	Designation	Salary	Commission	Sitting fees
Sh. Jaswant Rai Jain	Director	6,00,000/-	Nil	Nil
Sh. Kailash Chand Jain	Director	Nil/-	Nil	Nil
Sh. Sunil Kumar Jain	Director	6,00,000/-	Nil	Nil
Sh. Praveen Jain	Director	6,00,000/-	Nil	Nil
Sh. Sanjiv Jain	Director	3,50,000/-	Nil	Nil
Sh. Kamal Jain	Director	Nil	Nil	Nil
Sh. Roshan Dabriwal	Director	Nil	Nil	Nil
Sh. Vinay Jain	Add. Director	Nil	Nil	Nil
Sh. Manoj Kumar Jain	Add. Director	Nil	Nil	Nil

No sitting fees have been paid to Non-Executive independent directors for attending the Board/Committee meetings.

SHAREHOLDERS/INVESTORS GRIEVANCES & SHARE TRANSFER COMMITTEE

The Board of Directors of the company has constituted shareholders/Investors Grievances committee. The changes in committee during the year under review and the composition of the committee as on 31st March 2009 is as under:

Members	Designation	Category (as Director)	Particulars of change		No. of meeting attended
			Appointment	Resignation	
Sh. Vinay Jain	Chairman	Non –Executive & Independent	28.11.2008	-	3
Sh. Roshan Dabriwal	Member	Non –Executive & Independent	18.09.2004	-	5
Sh. Kamal Jain	Member	Non –Executive & Independent	18.09.2004	-	1
Sh. Kailash Chand Jain	Member	Executive	30.09.2008	25.11.2008	1
Sh. Rajeev Khemka	Member	Non –Executive & Independent	18.09.2004	30.09.2008	1
Sh. Sudhir Kumar Jain	Member	Non –Executive & Independent	18.09.2004	30.09.2008	3

During the year the committee has met 7 times on June 28th 2008, July 31st 2008, September 18th 2008, October 31st 2008, December 29th 2008, January 31st 2009 and March 03rd 2009. The minutes of the Committee were placed before the Board.

Committee looks into reprisal of shareholders complaints like transfer of shares, etc. The Committee also oversees the performance of the Registrar and Transfer Agents, and recommends measures for overall improvement in the quality of investor services.

During the year, the company had received no investor complaints from shareholders, stock exchanges and SEBI.

Procedures at Committee Meetings

Company's guidelines relating to Board Meetings are applicable to Committee Meetings as far as may be practicable. Minutes of the proceedings of each of the Committee meeting shall be placed before the Board for its perusal and noting.

GENERAL BODY MEETING

Annual General Meetings:

Year	Location	Date	Time	Details of Special Resolution (s)
2007-08	9062/47, Ram Bagh Road, Azad Market, Delhi-06	30.09.08	10:30 AM	No Special Resolution
2006-07	9062/47, Ram Bagh Road, Azad Market, Delhi-06	29.09.07	10:30 AM	No Special Resolution
2005-06	9062/47, Ram Bagh Road, Azad Market, Delhi-06	18.08.06	10:30 AM	No Special Resolution

Extraordinary General Meeting:

Sr. No.	Date	Nature of Resolution	Provision under which business was transected
1	18.03.2009	Special Resolution* Ordinary Resolution	1. Section 293(1)(a) of the Companies Act, 1956 read with Rule 4(f) read & 5 of Companies (Passing of the resolution by Postal Ballot) Rule 2001 2. Section 293(1)(d) of the Companies Act, 1956.
2	06.06.2009	Special Resolution Ordinary Resolution	1. Insertion of new definitions and clause "Clause 52A" in Articles of Association regarding DEMATERIALIZATION as per sec. 31 of the Companies Act, 1956 2. Appointment of M/s Sanghi & Coompany, Chartered Accountants as Statutory auditor of the company.

POSTAL BALLOT*Details of Postal Ballot**

The company has availed certain short term financial assistance from the financial Institution. The institution requires certain collateral in form of mortgage of immoveable assets and book debts to secure the proper repayment of facilities provided. In this regard an Extraordinary General Meeting of the members of the company was conducted in which a resolution regarding authorizing the board to borrow beyond the limits as prescribed u/s 239(1)(d) of the companies Act, 1956 has been passed. In the same EGM a special resolution passed by means of Postal Ballot and report of scrutinizer, thereon, was announced and adopted. The business transacted trough the Postal ballot was in accordance with the provision of section 192A, Companies (Passing of Resolution by Postal Ballot) Rule 2001 & under the provision of section 293(1)(a) of the Companies Act, 1956. The business transacted was as follows:

"Pursuant to Section 293 (1) (a) of the Companies Act, 1956; "Authority to sell, lease or otherwise dispose off the whole or substantially the whole undertaking of the company in order to create charge against the financial facilities to be provided by the banks"

Voting Pattern & Result

The Voting pattern & result of the postal ballot was as under:

Voting Pattern

Particulars	No. of Postal Ballot Forms	No. of shares represented there under	% age to the total paid up equity capital
Total Postal ballot forms received	09	79,07,039	63.01
Less: Invalid postal ballot forms/not noted for the resolution ballot forms	Nil	Nil	Nil
Net Valid postal ballots forms	09	79,07,039	63.01

Result of Postal Ballot

Particulars	No. of Postal Ballot Forms	No. of Shares	% age to the total no. of valid votes casted	% age to the total paid up equity capital
Postal Ballot forms with assent for the resolution	09	79,07,039	100.00	63.01%
Postal Ballot forms with dissent for the resolution	None of members of the company were dissented with the business transacted through Postal Ballot.			

Person Conducted the Postal Ballot

Mr. Ashish Kumar of A.K. Friends & Co., Practicing Company Secretary, has been appointed and authorized to do all such acts, deeds and things as may be necessary to conduct the process of postal Ballot in a fair and transparent manner and to submit their final report, ballot papers and other related papers and registers to the Board of Directors of the company within the specified time period.

Process of Postal Ballot

The company had duly adopted the Provisions of the Companies Act, 1956 and Companies (Passing of Resolution by Postal Ballot) Rule 2001. In brief, calendar of event is as follows:

Sr. no.	Particulars	Date
1	Date on which consent given by the scrutinizer	Before 31.01.2009
2	Date of Board Meeting to consider the matter business to be transacted.	31.01.2009
3	Date of appointment of Scrutinizer	31.01.2009
4	Date of board resolution authorizing one of the functional directors and the secretary to be responsible for the entire postal ballot process.	31.01.2009
5	Date of completion of dispatch of notice of meeting (30 days may be required for printing and dispatch of notices and postal ballot forms) and publication of notice in the News Paper.	12.02.2009
6	Last date for receiving postal ballot papers by scrutinizer.	15.03.2009
7	Last date for submission of report by scrutinizer.	18.03.2009
8	Last Date of signing of the Minutes book by the chairman in which the results of ballot is recorded.	17.04.2009
9	Date of returning the ballot papers, register and other related papers to the chairman by the scrutinizer.	18.03.2009
10	Date of handing over the ballot papers to the Designated Authority.	18.03.2009

DISCLOSURES

- a) None of the transactions of material nature with any of the related parties was in conflict with the interest of the company at large.
- b) The company has communication with SEBI & DSE for non-compliance of some of regulations of SEBI (SAST) Regulation 1997, SEBI (Prohibition of insider Trading) Regulation 2002 and Clause 40A of Listing agreement. The company is, however, complying the provision of Clause 40A of Listing Agreement. Company has not received any letters/notices for non-compliance of listing

agreement from SEBI and DSE during year under review. No penalties were imposed or strictures passed on the company by Stock Exchanges, SEBI or by any Statutory Authority related to Capital Market.

- c) The company is duly incorporated the changes made Listing Agreement and same has been reflecting in the disclosures made at the end of last quarter i.e. 31st March 2009 .

MEANS OF COMMUNICATION

Half yearly report sent to each household of Shareholder	-No
Quarterly Results, in which newspaper normally published	-FinancialExpress/ Jansatta
Any Website, where displayed	-No
Whether it also displays official news releases and	-No
Presentations made to institutional investors/Analysts	-No
Whether MD & A is a part of Annual Report	-Yes
Whether Shareholder Information section forms part of the Annual Report	-Yes

GENERAL SHAREHOLDER INFORMATION

1. Annual General Meeting:

The 24th Annual General meeting of the company will be held on 30th day of September at 10:30 am, at the registered office of the company at 9062/47, Ram Bagh Road, Azad Market, Delhi-06

2. Financial Calendar:

Financial Year	1 st April to 31 st March
Financial Year (under review)	1 st April 2008 to 31 st March 2009
Result for quarter ending 30th June 08	Last week of July 2008
Result for quarter ending 30th September 08	Last week of October 2008
Result for quarter ending 31st December 08	Last week of January 2009
Result for quarter ending 31st March 09	Last week of April 2009

(In case company opted to file Audited Financial Account with in 3 months from end of financial year, then unaudited result for the last quarter shall be file by end of last week of June 2009 with Stock Exchange(s))

3. Book Closure Date:

The register of members and Share transfer register shall remain closed during 25th Sep. 2009 to 30th Sep. 2009 (Both days are inclusive) for the purpose of Annual General Meeting.

4. Listing of Equity shares:

The equity shares of the company is and shall remain listed at:

**Delhi Stock Exchange Limited,
DSE House,
3/1, Asaf Ali Road,
New Delhi-110002**

5. Stock Code: 16093

6. Stock Market Price Data:

During the financial year 2008-09, there was no trading of shares of the company on Delhi stock exchange. Therefore, high and low prices for the period cannot be given.

7. Registrar & Share Transfer Agents:

MAS Services Limited, having its office at AB-4, Safdarjung Enclave New Delhi – 110029 is appointed Registrar & Share Transfer agent of the company. Investors' queries/request for transfer, transmission and issue of duplicate share certificates etc. shall be sent to MAS Services Limited.

8. Share Transfer System:

Requests for Share Transfer in physical form can be lodged with the Registrar & Share Transfer agents, MAS Services Limited at their address given above. The Share transfers which are received in physical form are registered and the share certificates are returned within 15 to 30 days from the date of receipt, subject to the documents being valid and complete in all respects. Shares under objection are, in general, returned within 7 days.

9. Nomination facility

Pursuant to Companies (Amendment) Act, 1999, the members are allowed to nominate any person to whom they desirous of making/changing a nomination in respect of their shareholding in the Company, are requested to submit to the MAS Services Limited the prescribed form 2B for this purpose, which can be furnished MAS Services Limited on request.

10. Distribution & Categories of Shareholding

Distribution of shareholding as on 31st March, 2009:

No of Equity Shares held	No. of Shareholders	% of Shareholders	Total no. of Shares held	% of Shareholding
Upto 5000	952	98.75	490309	3.91
5001-10000	Nil	Nil	Nil	Nil
10001-50000	Nil	Nil	Nil	Nil
50001-100000	02	0.21	157300	1.25
100001-500000	02	0.21	594359	4.74
500001-1000000	02	0.21	1603956	12.78
1000001 and above	06	0.62	9703410	77.32
Total	964	100.00	12549334	100.00

Categories of Shareholding as on 31st March, 2009:

Sr. No.	Category of Holder	No. of Shares	% of Equity
1.	Promoters' Holdings	9575709	76.30
	SUB TOTAL (A)	9575709	76.30
2.	Mutual Funds / UTI	----	--
3.	Banks/Financial Institutions/Insurance Companies (Central/State Govt. Institutions) Non Govt. Institutions	----	--
4.	FII's/ GDR	----	--
	SUB TOTAL (B)	9575709	76.30
5.	Others	----	--
	Corporate Bodies	696106	5.55
	Indian Public	2277519	18.15
	NRI's/OCB's/Foreign Company	----	--
	Any other	----	--
	Sub Total	2973625	23.70
	GRAND TOTAL (A+B)	12549334	100.00

11. Dematerialization:

The Company had proceeded towards dematerialized of its equity share and in this behalf company had altered its Articles of Association (AOA) by inserting a new clause 52A and some important definitions in its AOA. However, some of shares are pending for listing with DSE; hence the dematerialization shall be commencing after listing of the entire share.

12. Outstanding GDR/ ADRs/Warrants/Options:

There are no outstanding GDRs/ADRs/Warrants/ Options or any convertible instruments.

13. Details on use of public funds obtained in the last three years:

No funds have been raised from the public since the last three years.

14. Transfer of unclaimed amounts to Investor Education and Protection Fund:

No amount was transferred to Investor Education and Protection Fund during the year 2008-09.

15. Address for Correspondence

9062/47, Ram Bagh Road
Azad Market, Delhi – 110006
Email: co@neccgroup.com

For and on behalf of Board of Directors

Place: Delhi
Date: 30th June 2009

Sd/-
Sunil Kumar Jain
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

(As per clause 49 of listing agreement)

INDIAN ROAD TRANSPORT INDUSTRY

The road transport contributes to 65 % of the total freight traffic out. The National Highways accounts for 2% of total road network of the country and carrying 40% of total goods and passengers. The total length of Indian road network is approximately 33.00 lacs km. out of which approx 32% is single lane, 56% is double lane and rest is four or more lane standard. The country had only 1.95 lacs km of national (state & national) highway. As per Planning Commission report, the last four year growth rate of GDP and freight movement by road transport goes parallel with 9% rate.

OPERATION AND FUTURE OUTLOOK

Founded in 1984, the company started the business of core transportation & carriage of goods in FTL and Parchoon segment in 1999-2000. Since then it never looks back and achieved its target turnover of Rs. 200 crore for the finance year 2008-09. This period shall ever be remembered as the great global recession period which adversely affects not only the global economy but also Indian too. The recession had crushed the economy, resulting market liquidity crunch, slow productivity, retrenchment, higher inflation rate etc. In comparison to global market and its players, the indigenous industry and service sector was less affected by the recession. During the period the company had not only enhances its turnover but also its client base and its fleet. During the period the company had adopted & installed a new tracking technology "GPRS" for locating and tracking the fleets in operation.

The company's strategy is well thought of and in line with domestic market trend and industry. The company is growing its traditional parchoon market and simultaneously spreading and picking the FTL market segment. The new clients have been introduced and associated with our services. The Company is broadening and condensing its market through out the Indian subcontinent, Nepal and Bhutan.

STRENGTH, WEAKNESSES, OPPORTUNITIES & THREATS (SWOT)

Threat of recession slow downs the economy's expectations. But the changing economic and business conditions, reduced price hikes, increased demand driving the good business prospect in near future. Global bailout packages and government assistance, is now injecting a hope in industry and the consumers. The company's opportunity of sustainable growth and profitability emerges from increased consumer demand and supply of their need.

The government concentration & concern over infrastructural development of country booms the growth opportunity and productivity of associated industries which ultimately increases the possible growth of transport industry. Out of total estimated investment of Rs. 230k crore in infrastructures by Planning Commission, 15% is for road transport infrastructure. It clearly describes the importance & concerns of road transportation and its infrastructure over the economy and industry.

The Indian Road transport industry is on a tremendous growth path however, there is certain thing which determines the Company's growth as enumerated as a SWOT analysis on the Company:

Strength:

- The large geographic spread of operation not only in urban areas but also in rural and remote unprivileged areas of the country.
- Large customer base of big business houses as well as remote retails.
- Experienced and committed workforce associated with the company since last 15-35 years.

- The diversify services in form of FTL, Parchoon loading and household segment through its packers and movers division.
- The company's brand loyalty and visibility in the market.

Weaknesses:

- Less or non-qualified workforce is the major weakness of industry as well as of the company.
- Increased competitive pressure resulting in wage inflation due to increases competition for experienced and skilled human resources as well freight rate due to immense competition from other companies.
- Breakdowns in telecom links, land sliding, cyclones and floods during rainy season or other natural disaster could temporarily impact over quality of services. .
- Constant socio-communal riot in eastern & north eastern territories and other parts of India becomes major hindrance in quality of services and profitability of the company.
- Dependency of operation on external source of fund, delays in which might affect the expansion plans and day to day operation of the company.

Opportunities

- Infrastructural Development Investment policies of Central & State governments shall result in higher growth opportunity for transportation business.
- Successful completion of National Highways Projects shall open up new venues and improved service quality.
- The satellite watch over fleets through GPRS system shall also enhance the timely and prompt delivery of consignments to the prospective clients.
- ERP system under development shall, after its installation, improve the quality of documentation, records, billings etc.
- The increased fleets shall ease the operation.

Threat

- Damages, accident and theft are matter of concern during voyage.
- Natural disturbance inform of floods, cyclone, landslides in major parts of India.
- Due to above two conditions, the claims from clients increases and inflow of revenue decreases and finally resulted into long legal litigation.
- Now a day both economy and industry is facing severe recession, hence become difficult to sustain the business & its growth at par.

INTERNAL CONTROL SYSTEM

The company has proper Internal Control Procedure commensurate and adequate with its size and business. This system comprises well documented policies, guidelines and authorization and approval procedures. The company has an Internal Audit department which carries out an extensive audit throughout the year. These audit test the adequacy and effectiveness of the internal controls laid down by the management.

RISK MANAGEMENT

The Indian transport industry is a growing avenue and widely opens for new entrepreneurs. Since the company is one of the pioneers in the industry and among one form its kind of operations, its business is not likely to be materially altered by the entry of new players. The company always keeps itself changing with the changed environment of operation, technology and innovative ideas. Despite, in the challenging environment of the industry, company expect to sustain this tempo over the foreseeable future.

CONTINGENT LIABILITIES

The details of the company's contingent liabilities are given in note no 8 of schedule 14 Attached to and forming part of the Balance Sheet as on 31st March 2009.

Cautionary Statement

Statements in the Management Discussion Analysis Report may be forward looking statement with in the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operation include socio-economic conditions, affection demand/supply and freight rate condition in the market in which company operates. Changes in govt. regulations, policies and other statutes including tax laws are other incidental factors to the growth of company.

CERTIFICATE BY EXECUTIVE DIRECTOR AND GENERAL MANAGER

(Pursuant to clause 49(V) of the listing Agreement)

We, Sunil Kumar Jain, Chairman & Executive Director and S.L. Yadav, General Manager heading the finance function certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls and have taken steps to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee:
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware, and of the involvement of management or employee having a significant role in the company's internal control system over financial reporting.

Manager

Sunil Kumar Jain
Chairman

S.L. Yadav
General

Place: Delhi

Date: 30th June 2009

“ANNEXURE B” TO THE DIRECTORS REPORT
CERTIFICATE ON CORPORATE GOVERNANCE
(Pursuant to clause 49(VII) of the listing Agreement)

To
The Members
North Eastern Carrying Corporation Limited

We have examined the compliance of conditions of Corporate Governance by North Eastern Carrying Corporation Limited (the company) for the year ended on 31st March 2009, as stipulated in Clause 49(VII) of the Listing Agreement of the company with the Stock Exchange.

The compliance of condition of Corporate Governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by company for ensuring the compliance of conditions of the 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 explanation given to us, and the representation made by the Directors and the management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement.

We state that as per the report given by the Registrars of the Company to the Shareholder/investors Grievances Committee, as on 31st March, 2009, there was no investor grievance matter against the company remains pending for more than 30 days.

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

for, M/s Sanghi & company
Chartered Accountants

Sd/-
Ram Kishan Sanghi
Proprietor
M. No. 091534

Place: New Delhi
Date: 30th June, 2009

CONFIRMATION OF COMPLIANCE OF CODE OF CONDUCT AND ETHICS

I, declare that all Board Members and senior Management have individually affirmed compliance with the code of business conduct and ethics adopted by the company during the year 2008-09. This code of conduct is available at the registered office of the company.

Sunil Kumar Jain
Chairman

Place: Delhi
Date: 30th June 2009