

**ANNUAL REPORT  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012**

**NAVKETAN MERCHANTS LIMITED**

**Registered Office:**

12, Waterloo Street,  
2nd Floor  
Kolkata-700 069

**Directors:**

Mr. Amit Kumar Mondal  
Mr. Rajendra Agarwal  
Mr. Dilip Das  
Mr. Satyendra Kumar Thakur

**Auditors:**

M/s A. Jana & Co.  
*Chartered Accountants*  
17A, Yogipara Bye Lane  
Kolkata- 700 006

**NAVKETAN MERCHANTS LIMITED**  
**12, Waterloo Street, Kolkata - 700 069**  
**PAN No. - ACEPJ3825G**  
**CIN No.- L51909WB1994PLC062027**

**NOTICE**

NOTICE is hereby given that the Nineteenth Annual General Meeting of the Members of the Company will be held at its Registered Office at 12, Waterloo Street, Kolkata-700 069 on the 29<sup>th</sup> September 2012 at 11:30 A.M. 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 2012 and Balance sheet as at that date, and the Reports of the Directors' and the Auditors' thereon.
2. To appoint / re-appoint directors in place Directors who retire by rotation.
3. To appoint Auditors and to fix their remuneration.

**Registered Office:**

12 Waterloo Street  
Kolkata-700 069  
Date: 30<sup>th</sup> April, 2012

For and on behalf of the Board,  
**For NAVKETAN MERCHANTS LIMITED**

Sd/-  
Dilip Das  
**Director**

**NOTES:**

- a) A member entitled to attend and vote is also entitled to appoint one or more proxies to attend and vote instead of himself and a proxy need not be a member. Proxies in order to be effective must be received by the company not later than 48 hours before the commencement of the meeting.
- b) The register of members and transfer books of the Company will be closed from 20th September 2012 to 29th September, 2012 (both days inclusive).

**NAVKETAN MERCHANTS LIMITED**  
**12, Waterloo Street, Kolkata - 700 069**

## **REPORT OF THE DIRECTORS**

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

## **FINANCIAL RESULTS**

During the year under review, performance of your Company is as under:

<b>Particulars</b>	<b>Year Ended 31st March,2012</b>	<b>Year Ended 31st March,2011</b>
Profit/ (Loss) before taxation	753.00	2127.00
Less : Provision for taxation	233.00	657.00
<b>Profit/ (Loss) after tax</b>	<b>520.00</b>	<b>1470.00</b>
Add : Balance B/F from the previous year	(803,779.00)	(805,249.00)
<b>Balance Profit/ (Loss) C/F to the next year</b>	<b>(803,259.00)</b>	<b>(803,779.00)</b>

## **DIVIDEND**

No dividend has been recommended for the year.

## **DIRECTORS' RESPONSIBILITY STATEMENT - COMPLIANCE UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956**

The Directors confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures ;
2. Such accounting policies have been selected and applied consistently, judgments made 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 31st March, 2012 and of the loss of the Company for the year ended on 31st March, 2012 ;
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and for detecting fraud and other irregularities ;
4. The Annual Accounts has been prepared on a going concern basis.

## **DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of your Company, the Directors liable to retire by rotation and being eligible offers themselves for re-appointment.

## **AUDITORS**

A Jana & Co. Chartered Accountants, hold office upto the conclusion of this Annual General Meeting and recommended for reappointment. The Company has received a certificate from them to the effect that their appointment, if made, would be the limits prescribed under the section 224(1B) of the Companies Act, 1956.

## **DISCLOSURE OF INFORMATION**

The Company, Avighna Commerce Limited, is being merged with Navketan Merchants Limited, a listed public company with effect from 1st April, 2010 or as the date prescribed by the High Court in their sanction letter. All the necessary documents have been filed and the matter is pending for court's order.

## **CORPORATE GOVERNANCE**

Your Company has taken adequate steps to ensure that all mandatory provisions of "Corporate Governance" as provided in the Listing Agreement of the Stock Exchange with which the Company's Shares are listed are duly complied with.

A separate report on "Corporate Governance" along with Auditors' Certificate on its compliance and "Management Discussion and Analysis" are annexed hereto as Annexure 'A' and Annexure 'B' respectively as part of the Annual Report.

## **CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

The activities of the Company are not energy intensive and hence these matters are not applicable.

## **FOREIGN EXCHANGE EARNING/ OUT GO**

There has been no foreign exchange earnings or outgo during the year under review.

## **PARTICULARS OF EMPLOYEES**

As per the requirements of section 217(2A) of the Companies Act, 1956, none of the employees were in receipt of remuneration in excess of the prescribed limits for the whole or part of the year under review.

BY ORDER OF THE BOARD

12, Waterloo Street  
Kolkata 700 069  
Dated: 30<sup>th</sup> of April, 2012

Sd/-  
(Dilip Das)  
Director

## ANNEXURE "A" TO THE DIRECTORS' REPORT

### CORPORATE GOVERNANCE

The Company in terms of Clause 49 of the Listing Agreement with the Stock Exchanges has adopted practice of Corporate Governance for ensuring and protecting the rights and interests of its shareholders by instilling the principles of transparency, integrity, accountability and checks at the different levels of the management of the Company.

### BOARD OF DIRECTORS

The Board provides supervision and guidance to the business affairs of your company. It acts as trustee to the shareholders and other stakeholders and primarily its role is to protect and enhance shareholders value and growth of the organisation. All statutory and other significant and material information are placed before the board to enable it to discharge its responsibilities of strategic supervision of the Company as trustees to the shareholders.

The composition and category of Directors:

Category	Name of the Directors
Non - Executive Independent Director	Mr. Amit Kumar Mondal
Non - Executive Independent Director	Mr. Rajendra Agarwal
Non - Executive Independent Director	Mr. Dilip Das
Non - Executive Independent Director	Mr. Satyendra Kumar Thakur

During the year 2011-12, 6 (Six) Board Meetings were held on 15/05/2011, 03/08/2011, 20/08/2011, 30/09/2011, 12/12/2011 and 31/03/2012.

Attendance of the Directors at the Board and Shareholders Meeting, are given hereunder:

Name of Directors	Board Meetings						Annual General Meeting
	15 <sup>th</sup> may 2011	3 <sup>rd</sup> August 2011	20 <sup>th</sup> August 2011	30 <sup>th</sup> September 2011	12 <sup>th</sup> December 2011	31 <sup>st</sup> March 2012	30 <sup>th</sup> September 2011
Amit Kumar Mondal	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Rajendra Agarwal	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Dilip Das	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Satyendra Kumar Thakur	Yes	Yes	Yes	Yes	Yes	Yes	Yes

## **Remuneration Policy**

None of the directors receive any remuneration /compensation, including sitting fees for attending meeting of the board and/or any Board Committee. Therefore under present scenario, the company does not require to lay down its remuneration policy.

## **Information Placed before the board:**

The Board predominantly manages your Company. Certain powers of the board have been delegated to the Board Committees.

## **The information which are normally placed before the Board, are given hereunder:**

1. Annual Financial Statement
2. Status of Legal Compliance
3. Terms of reference of the Board Committees
4. Recommendations of the Board Committees

Post Board Meetings, follow-ups take place, which are backed by review and reporting process of the action taken/pending issues.

## **CODE OF CONDUCT:**

The Company has framed Code of Conduct for the Directors and Senior Management of the Company, the Directors and Senior Management have affirmed compliance of the said Code of Conduct as on 31st March, 2012.

## **BOARD COMMITTEES**

Your Company has four Board Committees Namely Audit Committees, Committee for Share Transfer, transmission ,etc , Remuneration Committee , Shareholders / Investors Grievance Committee. The terms and reference of all the four Board Committees were determined by the Board. Matters requiring Attention/approval of the Board were placed in the form of Recommendation/Note, signed by all the committee members present at the concerned meeting of the board committees.

The Role and Composition of these board committees, including the no. of meetings held and corresponding attendance at the meetings have been produced below:

## **AUDIT COMMITTEE**

The Audit Committee was entrusted with review of quarterly and annual financial statements before admission to the Board, review of observations of auditors and to ensure compliance of internal control systems authority for investigation and access for full information and external professional advice for discharge of the functions delegated to the Committee by the Board.

## Composition

Names of the Members	Position Held
Mr. Amit Kumar Mondal	Chairman
Mr. Dilip Das	Member
Mr. Rajendra Agarwal	Member

The members of the Audit committee are all financially literate and have expertise in finance and general management matters.

## MEETINGS AND ATTENDANCES

During the year 2011-12, 4 (Four) Audit Committee Meetings were held, details of which is provided below:

Names of the Members	15 <sup>th</sup> May 2011	3rd August 2011	12th December 2011	31st March 2012
Mr. Amit Kumar Mondal	Yes	Yes	Yes	Yes
Mr. Dilip Das	Yes	Yes	Yes	Yes
Mr. Rajendra Agarwal	Yes	Yes	Yes	Yes

### The scope of the audit committee, inter alia, includes:

- a) Review of the Company's financial reporting process, the financial statements (quarterly & yearly) and financial/risk management policies ;
- b) Review of the adequacy of the internal control systems and finance of the internal audit team;
- c) Discussions with the management and the external auditors, the audit plan for the financial year and joint post-audit and review of the same.

## REMUNERATION COMMITTEE

The remuneration Committee presently comprises of Mr. Amit Kumar Mondal, Mr. Dilip Das & Mr. Rajendra Agarwal. Mr. Amit Kumar Mondal continues to be the Chairman of the Committee.

None of the directors receive any remuneration /compensation, including sitting fees for attending meeting of the board and/or any Board Committee. Therefore under present scenario, the company does not require to lay down its remuneration policy.

During the year under Review no Remuneration Committee meeting was held.

## COMMITTEE OF DIRECTOR FOR SHARE TRANSFER , TRANSMISSION, etc.

The Share transfer comprises of Mr. Amit Kumar Mondal, Mr. Dilip Das & Mr. Rajendra Agarwal. Mr. Amit Kumar Mondal is continued to be the Chairman of the Committee. The Share Transfer committee meet as and when required and is entrusted with Transfer/transmission of shares, issue of duplicate share certificates, change of name/status, transposition of names, sub-division/consolidation of share certificates, etc.

## SHAREHOLDERS/INVESTORS' GRIEVANCE COMMITTEE

Shareholders/Investors Grievance Committee presently comprises of Mr Rajendra Agarwal and Mr Satyendra Kumar Thakur. Mr. Satyendra Kumar Thakur continues to be Chairman of the Committee and the Compliance Officer to look after shareholder's and investors grievance. No complaint was received during the year from the shareholders.

## GENERAL BODY MEETINGS

Location and time of Annual General Meeting held in three years:

Year	Type	Date	Venue	Time
11-12	AGM	29.09.2011	12, Waterloo Street , Kolkata - 700 069	11.30 PM
10-11	AGM	30.09.2011	12, Waterloo Street , Kolkata - 700 069	12.30 PM
09-10	AGM	30.09.2010	53, Chowringhee Road, Kolkata- 700 071.	12.30 PM

All resolutions moved at the last Annual General Meeting were passed by show of hands unanimously by all the members present at the meeting.

No business proposed to be transacted at the last Annual General Meeting was required to be passed by postal Ballot in terms of Company's (passing of the resolution by Postal Ballot) Rules, 2001.

## DISCLOSURES

During the year ended 31st March 2012, we would like to disclose that-

- a) There was no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large.
- b) To the best of our knowledge and information available, there has been no significant non-compliance by the company and hence no material penalty etc has been imposed by any regulator.
- c) The company has so far not adopted any non-mandatory requirement (as being listed under clause 49 of the listing agreement) including the 'Whistle Blower Policy'.

**Means of Communication:** Results (quarterly and others) are published in two newspapers circulating in the State on which the registered office of the Company is situated.

## Accounting Treatment in preparation of financial statement:

Company has followed the guidelines of accounting standards as prescribed by the Institute of Chartered Accountants of India in preparation of financial statement.



**Subsidiary Company:**

Company does not have any material non-listed Indian Subsidiary as defined in Clause 49 of the Agreement.

**Management:**

Company has identified risk involved in respect to its products, quality, cost, location and finance, also adopted the procedures / policies to minimize the risk and the same are reviewed and revised as per the needs to minimize and control the risk.

**GENERAL INFORMATIONS FOR MEMBERS:**

1. AGM: The AGM for the year ended March 31, 2012 is scheduled to be held on 29<sup>th</sup> September 2012 at 11:30 am at the Registered Office of the Company at 12 Waterloo Street, Kolkata 700069
2. Financial year: 01.04.2011 to 31.03.2012
3. Date of scheduled Book closure: 20.09.2012 to 29.09.2012
4. Dividend Payment Date: N.A.
5. Listing on Stock Exchanges: Shares of the Company are listed on The Calcutta Stock Exchange Association Ltd., 7, Lyons Range, Kolkata-700 001.
6. Stock Code: A-4
7. Market Price Data during the financial year:

Month	Year	Market Price	
		High	Low
April	2011	200	200
May	2011	200	200
June	2011	200	200
July	2011	200	200
August	2011	200	200
September	2011	200	200
October	2011	200	200
November	2011	200	200
December	2011	200	200
January	2012	200	200
February	2012	200	200
March	2012	200	200

8. Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc: N.A.
9. Registrar & Transfer Agents: ABS Consultant Private Limited at 4, B.B.D. Bag (East), 99, Stephen House, 6th Floor, Kolkata 700001
10. Share Transfer System: By ABS Consultant Private Limited

11. Distribution of Shareholding:

<b>Status</b>	<b>No. of shares</b>	<b>Percentage to total holding</b>
Individuals	1749498	58.28
Private Limited Companies	1243502	41.42
Public Limited Companies	9100	0.30

12. Dematerialisation of shares and liquidity: Complete

13. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity: N.A.

14. Plant Locations: N.A.

15. Address for correspondence: Registered Office at 12 Waterloo Street, Kolkata 700069

## **ANNEXURE "B" TO THE DIRECTORS' REPORT**

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report as required under Clause 49 is annexed hereto which forms part of this report.

### **INDUSTRY STRUCTURE AND DEVELOPMENTS & OPPORTUNITIES AND THREATS**

The Board is positive about industry outlook and endeavours to continuously look for opportunities and identify and mitigate any risks involved.

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

There an adequate internal control procedure commensurate with the size of the company and the nature of its business.

### **HUMAN RESOURCES**

The company during the year under review has only taken contractual service to maintain its records & documents. Since there was very limited activity the company has not hired any employees during the year.

### **DIRECTORS RELATIONSHIPS AND INTEREST**

None of the Directors are related to each other and they are non executive and independent directors. None of them hold any shares in the Company.

**CEO/CFO CERTIFICATION TO THE BOARD**

**(Under Clause 49(V) of Listing Agreement)**

To  
The Members of  
Navketan Merchants Limited

I, Dilip Das, Director of Navketan Merchants Limited hereby declare that, myself and all Designated Personnel of the Company, have affirmed compliance with the applicable Code of Conduct for the year ended 31, March 2012.

Sd/-  
Dilip Das  
Director

***Place: Kolkata***

***Dated: 30th April, 2012***

**A.JANA & CO.**  
*Chartered Accountants*

17A, Yogipara Bye Lane,  
Kolkata - 700006

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Date: 30th April, 2012

To,  
Navketan Merchants Limited  
12, Waterloo Street,  
2nd Floor,  
Kolkata

Sub: Audit on Corporate Governance for the Financial Year 2011-12

Dear Sir,

We have conducted the audit on Corporate Governance of Navketan Merchants Limited for the year ended 31st March 2012, as stipulated in Clause 49 of the Listing Agreement of the said company with the stock exchanges in India. We are attaching our Certificate on Corporate Governance.

Yours faithfully,

For A. JANA & CO.  
Chartered Accountants  
Firm Reg. No. 312169E

Sd/-

(A K Jana)  
Proprietor  
Membership No. 050783

**A.JANA & CO.**  
*Chartered Accountants*

17A, Yogipara Bye Lane,  
Kolkata – 700006

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**Auditors' Certificate on Corporate Governance**  
To the Members of Navketan Merchants Limited

We have examined the compliance of Corporate Governance by Navketan Merchants Limited., for the financial year 31<sup>st</sup> March, 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India, and was limited to procedures and implementation 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 best of our information and according to the explanations given to us, we hereby certify that the company has generally complied with the conditions of Corporate Governance as stipulated (except publication and furnishing of quarterly results and review report of Stock Exchanges) in Clause 49 of the above mentioned listing Agreement.

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

For A. JANA & CO.  
Chartered Accountants  
Firm Reg. No. 312169E

17A, Yogipara Bye Lane, Kolkata-700006  
Dated: 30th Day of April, 2012

Sd/-  
(A K Jana)  
Proprietor  
Membership No. 050783

**AUDITORS' REPORT TO THE MEMBERS OF NAVKETAN MERCHANTS LIMITED**

1. We have audited the attached Balance Sheet of NAVKETAN MERCHANTS LIMITED('the Company') as at March 31, 2012 and the relative Profit & Loss Account for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those 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 the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. The financial statements of the Company for the year ended March 31, 2012 were audited by us. Balances as on April 1, 2011 have been considered as opening balance for the purposes of these Accounts.
4. We report that:
  - a) We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of our Audit.
  - b) The Balance Sheet and Profit & Loss Account referred to in our report are in agreement with the books of account.
  - c) In our opinion, proper books of account as required by law, has been kept by the Company so far as it appears from the examination of the books.
  - d) In our opinion, the Balance Sheet and the Profit and Loss Account comply with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.
  - e) The company has defaulted in filing quarterly returns with the stock exchange.
  - f) Based on the written representation received from all the directors as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of Section 274(1)(g) of the Act.

- g) In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet and the Profit and Loss Account, together with notes and schedules annexed thereto, give, in the prescribed manner, the information required by the Companies Act, 1956 and also give a true and fair view in conformity with the accounting principles generally accepted in India:
  - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012; and
  - ii) in the case of the Profit & Loss Account, of the profit for the year ended on that date.
- h) The Company, Avighna Commerce Limited, is being merged with Navketan Merchants Limited, a listed public company effect from 1st April, 2010 or as the date prescribed by the High Court in their sanction letter. All the necessary petition has been filled and the matter is pending for court's order.

5. As required by the Companies (Auditor's report) Order, 2003 as amended by Companies (Auditor's report) (Amendment) Order, 2004 (together the "Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of The Companies Act, 1956 of India (the Act) and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we further report that:

- i) The Company has no fixed assets.
- ii) The Company has no inventory.
- iii) The Company has neither granted nor taken loans, secured or unsecured, to/from Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consecutively, clauses (iii)(b), (iii)(c), (iii)(d), (iii)(f), (iii)(g) of paragraph 4 of the Order are not applicable.
- iv) There is an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of investments and fixed assets and for the sale of goods. There is no continuing failure to correct major weaknesses in internal control.
- v) There were no transactions that need to be entered into a register in pursuance of section 301 of the Companies Act, 1956.
- vi) The Company has not accepted deposits from the public.
- vii) The company has an internal audit system commensurate with its size and nature of its business;
- viii) The maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act.
- ix) The company is regular in depositing undisputed statutory dues including Income-tax and any other statutory dues with the appropriate authorities. The Company was not required



to deposit any amounts relating to Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Sales-tax, Wealth Tax, Custom Duty, Excise Duty and cess. There are no unpaid demands, disputed or otherwise, in respect of sales tax/income tax/custom tax/wealth tax/excise duty/cess.

- x) There are accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year and immediately preceding financial year.
- xi) The company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The provisions of any special statute applicable to chit fund are not applicable to the Company. The Company is not a nidhi / mutual benefit fund/societies.
- xiv) Proper records have been maintained of the transactions of dealing or trading in shares, debentures and other investments and contracts and timely entries have been made therein for. The shares, securities, debentures and other securities have been held by the company, in its own name.
- xv) The Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) The Company has not taken any loans.
- xvii) The Company has not raised any funds, short term or long term.
- xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- xix) The Company has not issued any debentures.
- xx) The Company has not raised any money by public issue.
- xxi) Any fraud on or by the company has not been noticed or reported during the year.

For A. JANA & CO.  
Chartered Accountants  
Firm Reg. No. 312169E

Sd/-  
(A K Jana)  
Proprietor  
Membership No. 050783

17A, Yogipara Bye Lane, Kolkata-700006  
Dated, the 30th Day of April, 2012

**NAVKETAN MERCHANTS LIMITED**

12, Waterloo Street, Kolkata-700069

**BALANCE SHEET AS AT 31ST MARCH, 2012**

(in Rs.)

Particulars		Note No.	Current Year 31st March 2012	Previous Year 31st March 2011
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
1	<b>Shareholders' funds</b>			
a)	Share capital	1	30,021,000	30,021,000
b)	Reserves and surplus	2	(803,259)	(803,780)
2	<b>Current liabilities</b>			
a)	Other current liabilities	3	1,103	850,000
b)	Short-term provisions	4	233	657
	<b>TOTAL</b>		<b>29,219,077</b>	<b>30,067,878</b>
<b>II.</b>	<b>ASSETS</b>			
1	<b>Current assets</b>			
a)	Current investments	5	6,065,000	21,386,600
b)	Cash and cash equivalents	6	154,077	8,681,278
c)	Short-term loans and advances	7	23,000,000	-
	<b>TOTAL</b>		<b>29,219,077</b>	<b>30,067,878</b>

Accounting Policy & Notes forming  
part of the Accounts

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In terms of our separate report of even date

For A. Jana &amp; Co.

Firm Reg. No.312169E

Chartered Accountants

Sd/-

A. K. JANA

Proprietor

Membership No.050783

For NAVKETAN MERCHANTS LIMITED

Sd/-

Rajendra Agarwal

Director

Sd/-

Dilip Das

Director

Kolkata

Dated: April 30th, 2012

**NAVKETAN MERCHANTS LIMITED**

12, Waterloo Street, Kolkata-700069

**PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2012**

(in Rs.)

Particulars		Note No.	Current Year 31st March 2012	Previous Year 31st March 2011
I.	Other income	8	93,088	140,559
II.	Total Revenue		<b>93,088</b>	<b>140,559</b>
III.	Expenses:			
	Other expenses	9-10	92,336	138,432
IV.	Total expenses		<b>92,336</b>	<b>138,432</b>
V.	Profit before tax (II-IV)		<b>753</b>	<b>2,127</b>
VI.	Tax expense:			
	Current tax		233	657
VII.	Profit (Loss) for the period (V-VI)		<b>520</b>	<b>1,469</b>
VIII.	Earnings per equity share:			
	(1) Basic		0	0
	(2) Diluted		0	0

Accounting Policy & Notes forming  
part of the Accounts

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In terms of our separate report of even date

For A. Jana & Co.  
Firm Reg. No.312169E  
Chartered Accountants

For NAVKETAN MERCHANTS LIMITED

Sd/-  
A. K. JANA  
Proprietor  
Membership No.050783Sd/-                      Sd/-  
Rajendra Agarwal      Dilip Das  
Director                      DirectorKolkata  
Dated: April 30th, 2012

**NOTES TO BALANCE SHEET AS AT 31ST MARCH,2012**

**SHARE CAPITAL**

**Note 1**

Share Capital	As at 31 March 2012		As at 31 March 2011	
	No. of Shares	Rs.	No. of Shares	Rs.
<b>Authorised</b> Equity Shares of Rs.10 each	3,200,000	32,000,000	3,200,000	32,000,000
<b>Issued,Subscribed &amp; fully Paid up</b> Equity Shares of Rs.10 each	3,002,100	30,021,000	3,002,100	30,021,000
<b>Total</b>	<b>3,002,100</b>	<b>30,021,000</b>	<b>3,002,100</b>	<b>30,021,000</b>

**RESERVES & SURPLUS**

**Note 2**

Reserves & Surplus	Current Year 31/03/2012	Previous Year 31/03/2011
<b>Surplus</b> Opening balance	(803,778)	(805,249)
(+) Net Profit/(Loss) for the current year	520	1,469
<b>Total</b>	<b>(803,259)</b>	<b>(803,780)</b>

**OTHER CURRENT LIABILITIES**

**Note 3**

Other Current Liabilities	Current Year 31/03/2012	Previous Year 31/03/2011
Audit Fees Payable	1,103	-
Others payables	-	850,000
<b>Total</b>	<b>1,103</b>	<b>850,000</b>

**SHORT-TERM PROVISIONS**

**Note 4**

Short-Term Provisions	Current Year 31/03/2012	Previous Year 31/03/2011
Provision For Tax	233	657
<b>Total</b>	<b>233</b>	<b>657</b>

## CURRENT INVESTMENTS

### Note 5

Current Investments	Current Year 31/03/2012	Previous Year 31/03/2011
<b>Other Investments</b>		
Investment in Equity instruments - Unquoted, at cost	6,065,000	21,386,600
<b>Total</b>	<b>6,065,000</b>	<b>21,386,600</b>

## CASH AND CASH EQUIVALENTS

### Note 6

Cash and cash equivalents	Current Year 31/03/2012	Previous Year 31/03/2011
Balance at bank	6,270	30,015
Cash-in-hand	147,807	8,651,264
<b>Total</b>	<b>154,077</b>	<b>8,681,279</b>

## SHORT-TERM LOANS AND ADVANCES

### Note 7

Short-term loans and advances	Current Year 31/03/2012	Previous Year 31/03/2011
Share Application Money	23,000,000	-
<b>Total</b>	<b>23,000,000</b>	<b>-</b>

## OTHER INCOME

### Note 8

Short-term loans and advances	Current Year 31/03/2012	Previous Year 31/03/2011
Income from sale of investments	231	-
Service Charges	92,857	140,559
<b>Total</b>	<b>93,088</b>	<b>140,559</b>

**OTHER EXPENSES****Note 9**

<b>Other Expenses</b>	<b>Current Year 31/03/2012</b>	<b>Previous Year 31/03/2011</b>
Accounting Charges	-	22,844
Audit Fees	1,103	5,000
Bank Charges	385	2,564
Demat Charges	-	13,436
Filing Fees	1,500	5,500
General Expenses	11,000	9,876
Internal Audit Fees	-	21,000
Legal Expenses	20,400	-
Listing Fees	18,240	30,000
Professional Tax	-	2,500
Professional Fees	-	4,412
Registrar Fees	39,708	19,450
Trade License	-	1,850
<b>Total</b>	<b>92,336</b>	<b>138,432</b>

**Details of Auditor Expenses****Note 10**

<b>Payments to the auditor as</b>	<b>Current Year 31/03/2012</b>	<b>Previous Year 31/03/2011</b>
Auditor	1,103	5,000

## NAVKETAN MERCHANTS LIMITED

Note 11 of Notes attached to and forming part of the Balance Sheet as at 31st March, 2012 and the Profit & Loss Account for the year ended on that date.

### 1. Significant Accounting Policies

- a. Basis of Preparation of Financial Statement
  - i. The Financial Statement have been prepared on historical cost of accrual basis and on the accounting principles of a going concern.
  - ii. Accounting Policies not specifically referred to otherwise are consistent and are in consonance with generally accepted accounting Principles.
- b. Investment being long term in nature valued at cost.
- c. Revenue Recognition & Expenditure :  
All revenues has been recognised on accrual basis.

### 2. Notes on Accounts

- a. Income in foreign currency is Nil.
- b. Expenditure in foreign currency is Nil.
- c. The Company has no employee whose remuneration exceeds Rs.60,00,000/- per annum. Therefore, there are no particulars to be furnished under Section 217 (2A) of the Companies Act, 1956.
- d. Related Party Disclosure

There were no related party transaction during the year.

- e. Previous year's figures have been re-grouped/ rearranged wherever found necessary.

For A. JANA & CO.  
Chartered Accountants  
Firm Reg. No. 312169E

For Navketan Merchants Limited

Sd/-  
(A K Jana)  
Proprietor  
Membership No. 050783

Sd/-  
Dilip Das  
(Director)

Sd/-  
Rajendra Agarwal  
(Director)

Dated: 30th April, 2012  
Place: Kolkata