

**ANNUAL REPORT
FOR THE YEAR ENDED 31ST MARCH, 2013**

NAVKETAN MERCHANTS LIMITED

Registered Office:

12, Waterloo Street,
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. – AABCN5621L
CIN No. - L51909WB1994PLC062027

NOTICE

NOTICE is hereby given that the Twentieth 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 30th September 2013 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 2013 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 of Mr. Dilip Das and Mr. Amit Kumar Mondal who retires by rotation and being eligible offers themselves for re-appointment.
3. To appoint Auditors and to fix their remuneration.
4. To adopt and declare Dividend

Registered Office:

12 Waterloo Street
Kolkata-700 069
Date: 22nd May, 2013

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 23rd September 2013 to 30th September, 2013 (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, 2013.

FINANCIAL RESULTS

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

Particulars	Year Ended 31st March, 2013	Year Ended 31st March, 2012
Profit/ (Loss) before taxation	695.00	753.00
Less : Provision for taxation	215	233.00
Profit/ (Loss) after tax	480.00	520.00
Add : Balance B/F from the previous year	(803,259.00)	(803,778.00)
Balance Profit/ (Loss) C/F to the next year	(802,778.00)	(803,259.00)

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, 2013 and of the loss of the Company for the year ended on 31st March, 2013 ;
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, Mr. Dilip Das, Director and Mr. Amit Kumar Mondal, Director 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(2AA) 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.

ACKNOWLEDGEMENT

The Directors express their their sincere appreciation to the valued shareholders, bankers and clients for their support.

BY ORDER OF THE BOARD

12, Waterloo Street
Kolkata 700 069
Dated:22nd May, 2013

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 2012-13, 6 (Six) Board Meetings were held on 30.04.2012, 14.08.2012, 09.10.2012, 10.11.2012, 08.02.2013 and 30.03.2013.

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

Name of Directors	Board Meetings						Annual General Meeting
	30 th April 2012	14 th August 2012	9 th October 2012	10 th November 2012	8 th February 2013	30 st March 2013	29 th September 2012
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, 2013.

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 2012-13, 4 (Four) Audit Committee Meetings were held, details of which is provided below:

Names of the Members	30th April, 2012	14th August, 2012	10th November, 2012	8th February, 2013
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
12-13	AGM	30.09.2013	12, Waterloo Street , Kolkata - 700 069	11.30 PM
11-12	AGM	29.09.2012	12, Waterloo Street , Kolkata - 700 069	11.30 PM
10-11	AGM	30.09.2011	12, Waterloo Street , Kolkata - 700 069	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 2013, 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. However, Company has make investment in Public Limited Companies.
- 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. However, Company has Public Limited Companies as its subsidiaries, where it has made investment in the financial year ended 31st March 2013. All the subsidiary companies of the Company are Board managed with their Board having the rights and obligations to manage such companies in the best interest of their stakeholders. The Company monitors performance of its subsidiary companies, with respect to the financial statements and statements containing all the significant transactions and arrangements entered into by the subsidiary companies were placed before the company's Board/audit Committee.

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, 2013 is scheduled to be held on 30th September 2013 at 11:30 am at the Registered Office of the Company at 12, Waterloo Street, Kolkata 700069
2. Financial year: 01.04.2012 to 31.03.2013
3. Date of scheduled Book closure: 23.09.2013 to 30.09.2013
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:

		Market Price	
Month	Year	High	Low
April	2012	N.T*	N.T
May	2012	N.T	N.T
June	2012	N.T	N.T
July	2012	N.T	N.T
August	2012	N.T	N.T
September	2012	N.T	N.T
October	2012	N.T	N.T
November	2012	N.T	N.T
December	2012	N.T	N.T
January	2013	N.T	N.T
February	2013	N.T	N.T
March	2013	N.T	N.T

*Where N.T denotes No Trading

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
4, B.B.D. Bag (East)
99, Stephen House, 6th Floor
Kolkata- 700001

Distribution of Shareholding:

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

11. Dematerialisation of shares and liquidity: Complete
12. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity: N.A.
13. Plant Locations: N.A.
14. 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 2013.

Sd/-
Dilip Das
Director

Place: Kolkata
Dated:22nd May, 2013

A.JANA & CO.
Chartered Accountants

17A, Yogipara Bye Lane,
Kolkata - 700006

Date:22nd May, 2013,

To,
Navketan Merchants Limited
12, Waterloo Street,
Kolkata 700 069

Sub: Audit on Corporate Governance for the Financial Year 2012-13

Dear Sir,

We have conducted the audit on Corporate Governance of Navketan Merchants Limited for the year ended 31st March 2013, 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.

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

17A, Yogipara Bye Lane, Kolkata-700006
Dated: 22nd May, 2013

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

A.JANA & CO.
Chartered Accountants

17A, Yogipara Bye Lane,
Kolkata - 700006

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 ended 31st March, 2013 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: 22nd May, 2013

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NAVKETAN MERCHANTS LIMITED

Report on the Financial Statements

We have audited the attached Balance Sheet of **Navketan Merchants Limited** ('the Company') as at 31st March, 2013 and the relative Statement of Profit & Loss for the period ended on that date annexed thereto, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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.

Opinion

- (i) Based on the written representation received from all the directors as on 31 March, 2013 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31 March, 2013 from being appointed as a director in terms of Section 274(1)(g) of the Act.
- (ii) The Balance Sheet and the Statement of Profit and Loss comply with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.

(iii) In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet and the Statement of Profit and Loss, together with notes 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:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013; and
- b) In the case of the Statement of Profit & Loss, of the profit for the period ended on that date.

Report on Other Legal & Regulatory Requirements

1. 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) we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) the Balance Sheet, Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the directors as on 31st March, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For A Jana & Co.

Chartered Accountants

Firm Reg. No. 312169E

17A, Yogipara Bye Lane,
Kolkata-700006
Dated- 22nd May, 2013

Sd/-
A K Jana
Proprietor
MembershipNo.050783

Annexure to Independent Auditors' Report

As required by the Companies (Auditors Report) Order, 2003 issued by central Government of India in terms of Section 227(4A) of the Companies Act, 1956, and on the basis of such checks as we consider appropriate, we further report that-

- i. In respect of the fixed assets:**

The Company has no fixed assets.
- ii. In respect of the inventories:**

The Company has no inventory.
- iii. In respect of loans, secured or unsecured, granted or taken by the Company to/from Companies, firms or other parties covered in the register maintained under Section 301 of The Companies Act, 1956:**

The Company has not granted any loan, secured or unsecured to Companies, firms or other parties listed in register maintained under Section 301 of the companies Act, 1956.
- iv.** There 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.** 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 have been so entered.
- vi.** The Company has not accepted deposits from the public. Accordingly provisions of section 58A and 58AA of companies act,1956 are not applicable to the company
- 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.

- 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 received short-term loans and advances during the financial year.
- xvii.** On the basis of information received from the management and based on our examination we find that the company has not raised any short term funds.
- 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

17A, Yogipara Bye Lane,
Kolkata-700006
Dated: 22nd May, 2013

Sd/-
A K Jana
Proprietor
MembershipNo.050783

NAVKETAN MERCHANTS LIMITED

12 Waterloo Street, Kolkata- 700069

Balance Sheet as at 31st March, 2013

(in Rs.)

Particulars		Note No.	Current Year 31st March 2013	Previous Year 31st March 2012
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	1	30,021,000	30,021,000
	(b) Reserves and surplus	2	(802,779)	(803,259)
2	Current liabilities			
	(a) Other current liabilities	3	1,124	1,103
	(b) Short-term provisions	4	448	233
	TOTAL		29,219,793	29,219,077
II.	ASSETS			
1	Current assets			
	(a) Current investments	5	4,420,000	6,065,000
	(b) Loans & Advances	6	12,267,305	23,000,000
	(c) Cash and cash equivalents	7	1,799,793	154,077
	(d) Other Current Assets	8	10,732,695	-
	TOTAL		29,219,793	29,219,077

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.*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****Kolkata****Dated: 22nd May, 2013**

NAVKETAN MERCHANTS LIMITED
12 Waterloo Street, Kolkata- 700069
Statement of Profit and loss for the year ended 31st March, 2013

(in Rs.)

Particulars	Note No.	Current Year 31st March 2013	Previous Year 31 March 2012
I. Revenue From Operations			
Sale of Sarees		363,237	323,547
I. Other Income	9	-	231
II. Total Revenue		363,237	323,778
III. Expenses:			
Purchase of Sarees		277,987	230,690
Other expenses	10	84,555	92,336
IV. Total expenses		362,542	323,026
V. Profit before tax (II- IV)		695	753
VI. Tax expense:			
Current tax		215	233
VII. Profit (Loss) for the period (V-VI)		480	520
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.
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

Kolkata
Dated: 22nd May, 2013

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2013

SHARE CAPITAL

Note 1

<u>Particulars</u>	Current Year 31st March 2013		Previous Year 31st March 2012	
	No. of shares	Rs.	No. of shares	Rs.
<u>Authorised</u> Equity Shares of Rs. 10 each	3,200,000	32,000,000	3,200,000	32,000,000
<u>Issued,Subscribed & fully Paid up</u> Equity Shares of Rs. 10 each	3,002,100	30,021,000	3,002,100	30,021,000
Total	3,002,100	30,021,000	3,002,100	30,021,000

RESERVES & SURPLUS

Note 2

Particulars	Current Year 31st March 2013	Previous Year 31st March 2012
	Rs.	Rs.
Surplus		
Opening balance	(803,259)	(803,778)
(+) Net Profit/(Net Loss) For the current year	480	520
Total	(802,779)	(803,259)

Other current liabilities

Note 3

Particulars	Current Year 31st March 2013	Previous Year 31st March 2012
	Rs.	Rs.
Audit Fees Payable	1,124	1,103
Total	1,124	1,103

Short-term provisions**Note 4**

Particulars	Current Year 31st March 2013	Previous Year 31st March 2012
	Rs.	Rs.
Provision for Taxation	448	233
Total	448	233

Current investments**Note 5**

Particulars	Current Year 31st March 2013	Previous Year 31st March 2012
	Rs.	Rs.
Investment in Equity instruments-unquoted at cost (As per Annexure attached)	4,420,000	6,065,000
Total	4,420,000	6,065,000

Loans & Advances**Note 6**

Particulars	Current Year 31st March 2013	Previous Year 31st March 2012
	Rs.	Rs.
Advances	12,267,305	23,000,000
Total	12,267,305	23,000,000

Cash and cash equivalents**Note 7**

Particulars	Current Year 31st March 2013	Previous Year 31st March 2012
	Rs.	Rs.
a. Balances with banks (Current account)	1,714,289	6,270
b. Cash in hand	85,504	147,807
Total	1,799,793	154,077

Other Current Assets**Note 8**

Particulars	Current Year 31st March 2013	Previous Year 31st March 2012
	Rs.	Rs.
Other Receivables	10,732,695	-
Total	10,732,695	-

NOTES TO STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

Other Income

Note 9

Particulars	Current Year 31st March 2013	Previous Year 31st March 2012
	Rs.	Rs.
Profit on Sale of Investment	-	231
Total	-	231

Other Expenses

Note 10

Particulars	Current Year 31st March 2013	Previous Year 31st March 2012
	Rs.	Rs.
<u>Payment to auditor as:</u>		
Audit Fees	1,124	1,103
<u>Other Expenses :</u>		
Filing Fees	4,500	1,500
General Expenses	12,564	11,000
Accounting Charges	4,550	-
Bank Charges	750	385
Legal Expenses	-	20,400
Listing Fees	-	18,240
Registrar Fees	61,067	39,708
Total	84,555	92,336

NAVKETAN MERCHANTS LIMITED

Note 11 of Notes attached to and forming part of the Balance Sheet as at 31st March, 2013 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 has 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 have 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 was 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

Sd/-
A K Jana
Proprietor
Membership No. 050783

Dated: 22nd May, 2013
Place: Kolkata

For NAVKETAN MERCHANTS LIMITED

Sd/-
Rajendra Agarwal
Director

Sd/-
Dilip Das
Director