

**NAVKETAN
MERCHANTS
LIMITED**

2019-2020

27th Annual Report

Corporate Information

Board of Directors

Mr Kamal Dani	Managing Director
Mr Goutam Chowdhury	Chief Financial Officer
Mr Mridul Bhattacharya	Director
Mr Shovan Modak	Director
Ms Nanda Sengupta	Director

Company Secretary

Ms Pooja Bothra (Resigned on 13-02-2020) & Ms Arya Shaw (Appointed on 29-06-2020)

Auditors

M/s Mamta Jain & Associates
Chartered Accountant
Vrindavan Apartment, 14 Watkins Lane
Howrah-711101

Bankers

Punjab National Bank
Punjab & Sind Bank

Registrar and share transfer agent

ABS consultant Private Limited
4, BBD Bag (East)
99, Stephen House
6th Floor, Kolkata 700001

Registered Office

12 Waterloo Street, Kolkata 700069
Telephone: (033) 22485923
E-mail: info@navketanmerchants.com

CIN: L51909WB1994PLC062027

Website: www.navketanmerchants.com

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NOTICE

NOTICE is hereby given that the Twenty Seventh Annual General Meeting (AGM) of the Members of Navketan Merchants Limited will be held at 12, Waterloo Street, Kolkata 700 069 on Thursday, 19th November 2020 at 11:00 A.M. to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2020 and the Reports of the Board of Directors and the Auditors.
2. To appoint a director in place of Mr Kamal Dani (DIN 07960272) who retires by rotation and, being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution: -:

"RESOLVED THAT, pursuant to the provisions of Sections 139 (1) and (9), 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Audit and Auditors) Rules, 2014 (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation made by the Audit Committee of the Board, the Company hereby appointed M/s Mamta Jain & Associates, Chartered Accountants, having Registration No. 328746E, as the Statutory Auditors of the Company for a period of five consecutive years from the year ending 31st March, 2019 to 31st March, 2023. The requirement for the annual ratification of auditor's appointment at the AGM has been omitted pursuant to Companies (Amendment) Act, 2017 effective from May 7, 2018."

"FURTHER RESOLVED THAT the Board be and is hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company."

Place: Kolkata
Date: 27th October, 2020

By order of the Board
NAVKETAN MERCHANTS LIMITED

Arya Shaw
Company Secretary

NOTES:

1. 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. A member or his proxy may vote either for or against each resolution.
2. The register of members and transfer books of the company will be closed from 13th November 2020 to 19th November, 2020 (both days inclusive).
3. The notice of the 27th AGM and the Annual Report 2019-20 will be available on the Company's website, www.navketanmerchants.com
4. All relevant documents referred in the notice will be available for inspection by the members at the Registered Office of the Company between 10AM and 12 Noon on any working day of the Company up to the date of the meeting.
5. Voting through electronic means-
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company is pleased to provide to its Members holding shares either in physical form or in dematerialized form the facility to exercise their right to vote at the 27th Annual General Meeting by electronic means and the business may be transacted through E-Voting services provided by Central Depository Services (India) Limited (CDSL). The instructions for E-Voting are as under:
 - II. The Remote E-Voting period begins from Monday, 16th November, 2020 from 9.00 a.m. and ends on Wednesday, 18th November, 2020 till 5.00 p.m. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off/entitlement date of Thursday, 12th November, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder by electronic means, the shareholder shall not be allowed to change it subsequently or cast his vote by any other means.
 - III. The notice of the 27th Annual General Meeting of the Company inter alia indicating the process and manner of Remote E-Voting process along with printed Attendance Slip and Proxy Form is enclosed. The Remote E-Voting particulars are provided at the bottom of the Attendance Slip for the 27th Annual General Meeting.
 - IV. The process and manner of e-voting are provided below:
 - a. Log on to the E-Voting website: www.evotingindia.com during the remote e- voting period.
 - b. Click on "Shareholders" tab

- c. Now, select Electronic Voting Sequence No. as mentioned in the Attendance Slip alongwith "**Navketan Merchants Limited**" from the drop-down menu and click on "SUBMIT".
- d. Now Enter your User ID (as mentioned in the Attendance Slip) :
 - i. For CDSL: 16 digits beneficiary ID,
 - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- e. Next enter the Image Verification as displayed and Click on Login.
- f. If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- g. However, if you are a first-time user, please use the E-Voting particular provided in the Attendance Slip and fill up the same in the appropriate boxes:
- h. After entering these details appropriately, click on "SUBMIT" tab.
- i. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach Password Creation' menu wherein they are required to mandatory enter their login password in the new password field.

Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for E-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- j. For Members holding shares in physical form, the **details in Attendance Slip** can be used only for E-Voting on the resolutions contained in this Notice.
- k. Click on the relevant EVSN "**Navketan Merchants Limited**" for which you choose to vote.
- l. On the voting page, you will see "**Resolution Description**" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- m. Click on the "Resolutions File Link" if you wish to view the entire Resolutions.

- n. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- o. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- p. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- q. If Demat account holder has forgotten the **changed password** then enter the User ID and image verification code, click on Forgot Password & enter the details as prompted by the system.
- r. ● Institutional shareholders (i.e. other than Individuals, H U F, and NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Authorized Person/Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- V. In case you have any queries or issues regarding E-Voting, you may refer the Frequently Asked Questions ("FAQs") and E-Voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com. You can also contact the helpdesk on the toll-free number: 1800-200-5533.
6. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off/entitlement date of 12th November, 2020.
7. Any person who becomes a member of the Company after dispatch of notice of the meeting and holding shares as on the cut-off date i.e. 12th November, 2020 may obtain the user ID and password in the manner as mentioned below.
- a) Member may call CDSL's toll free number 1800-20-5533
 - b) Member may send an e-mail request to helpdesk.evoting@cdslindia.com/absconsultant@vsnl.net

8. Voting at AGM – the facility for voting through ballot / polling paper shall also be made available at the venue of the 27th AGM. The members attending the meeting, who have not already cast their votes through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their votes through remote e-voting may attend the AGM but shall not be entitled to cast their vote again at the AGM.
9. The Company has appointed Mr.DilipSultania, a PracticingChartered Accountant as the scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.
10. The Scrutinizer shall unblock the data of remote e-voting after the voting on all the resolutions, at the venue of the AGM, is completed. The scrutinizer after scrutinizing the votes cast at the meeting and through remote e-voting, will not later than 3 days of the conclusion of the meeting make a consolidated scrutinizer’s report and submit the same to the chairman of the meeting or any officer authorized by the Chairman in this regard. The results declared along with the consolidated scrutinizer’s report shall be placed on the website of the Company www.navketanmerchants.com and on the website of CDSL. The results shall simultaneously be communicated to the Stock Exchanges.
11. Subject to the receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of meeting that is 19th November,2020.

Place: Kolkata
Date: 27th October,2020

By order of the Board
NAVKETAN MERCHANTS LIMITED

Arya Shaw
Company Secretary

Profile of Director seeking re-appointment in ensuing Annual General Meeting furnished in terms of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

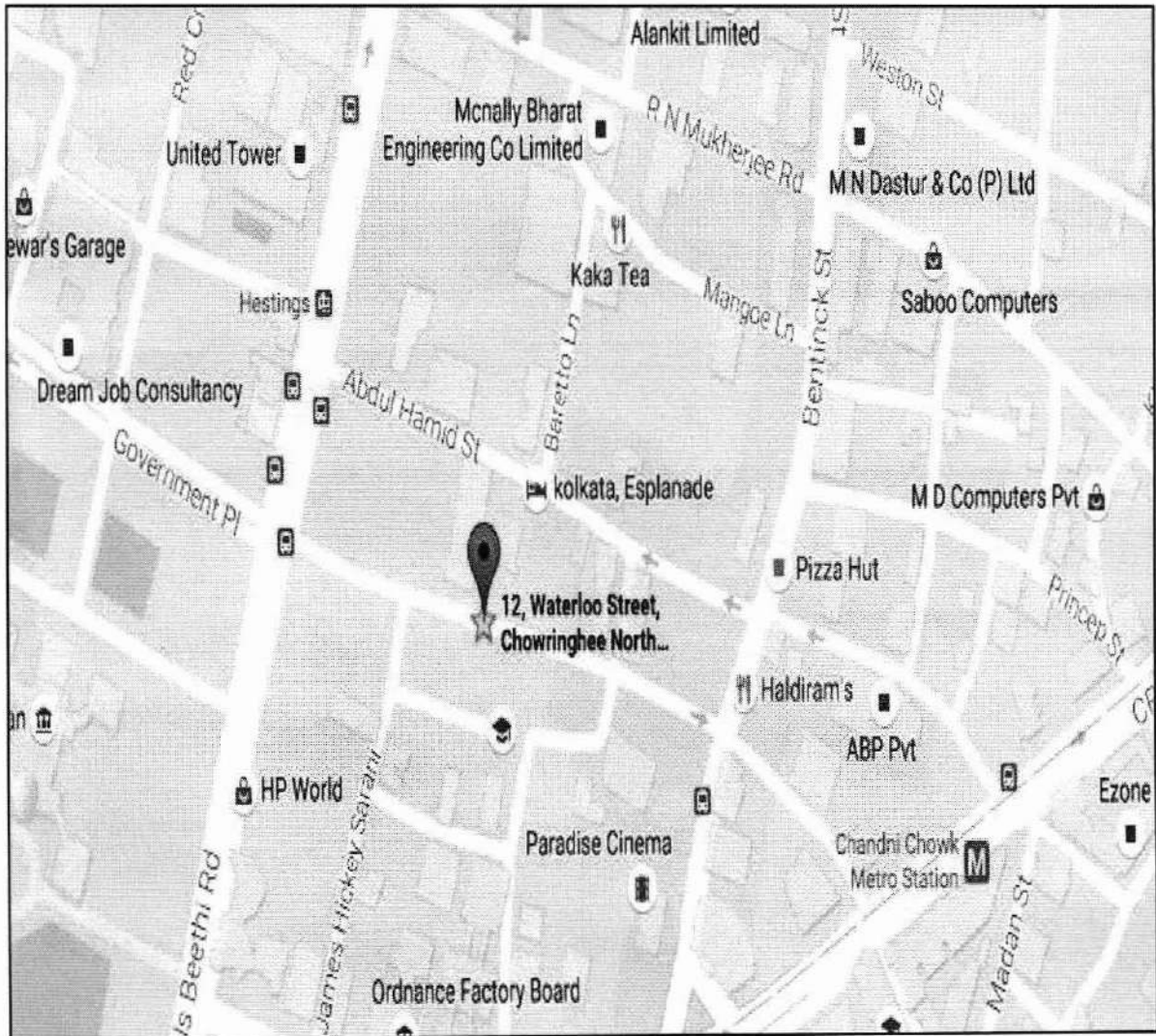
Name of the Director	MrKamal Dani
Date of Birth	14 th May, 1946
Date of Appointment	17 th February, 2018
Expertise in Specific functional areas	Business Management
Companies in which outside Directorship is held	<ol style="list-style-type: none"> 1. Specon Engineering Private Limited 2. Avighna Merchants Private Limited 3. ParampitaVyapaar Private Limited 4. Rangsidh Enterprises Private Limited 5. MahodarVinimay Private Limited 6. MahakayaVanijya Private Limited 7. Mahanad Tracom Private Limited 8. MahatapaVintrade Private Limited 9. Saukhyada Commerce Private Limited 10. SumukhanVintrade Private Limited 11. SukhadahCommosales Private Limited 12. LamodarVinimay Private Limited 13. Richfield PetroleumPvt Ltd 14. Terai Plantation Ltd 15. Anivarti Advisors Limited 16. DurdharDealcom Limited 17. Bhavamochani Ventures Limited 18. Bhaynashan Suppliers Limited 19.Ranch Exim Private Limited
Chairman/Member of the Committees of the Board of the other Companies on which he is a Director	-

Place: Kolkata
Date: 27th October,2020

By order of the Board
NAVKETAN MERCHANTS LIMITED

Arya Shaw
Company Secretary

Route map to the venue of the AGM



Board's Report

Dear Members,

Your directors have pleasure in presenting their Twenty-Seventh Annual Report on the business and operations of the company together with the Audited Statement of Accounts for the year ended 31st March, 2020.

Financial Highlights

During the year under review, performance of your company was as under:

(Rupees in Lakhs)

Particulars	Year ended 31 st March 2020	Year ended 31 st March 2019
Turnover	0	14.71
Profit/(Loss) before taxation	(4.89)	(9.46)
Less: Tax Expense	0.00	0.00
Profit/(Loss) after tax	(4.89)	(9.46)
Add: Balance B/F from the previous year	3.72	13.14
Less: Adjustments for earlier year	(0.03)	0.03
Balance Profit / (Loss) C/F to the next year	(1.21)	3.72

State of Company's Affairs and Future Outlook

Navketan Merchants Limited was incorporated in the year 1994, West Bengal and has been engaged in trading of mainly yarns and sarees. The Company is listed on Calcutta Stock Exchange Ltd and Bombay Stock Exchange Ltd.

The Board is positive about the future growth and expects to increase the growth rate in the upcoming financial years.

Change in nature of business, if any

There has been no change in the nature of business of the company during the year and the Company continues to carry on with its existing business.

Details of Subsidiary, Joint Venture or Associates

There is no Subsidiary, Associates or Joint Ventures as on March 31, 2020.

Dividend

With the view to conserve the resources of the company the directors have not recommended any dividend during the year.

Amounts Transferred to Reserves

The Board of the company has decided to retain its profit in its surplus account only.

Changes in Share Capital, if any

There have been no changes in the share capital of the company during the financial year ended 31st March, 2020.

Disclosure regarding Issue of Equity Shares with Differential Rights

During the Financial Year 2019-2020, the Company has not issued any equity shares with differential rights.

Disclosure regarding issue of Employee Stock Options

During the Financial Year 2019-2020, the Company has not issued any Employee Stock Options.

Disclosure regarding issue of Sweat Equity Shares

During the Financial Year 2019-2020, the Company has not issued any Sweat Equity Shares.

Extract of Annual Return

As required under the Companies Act, 2013 an extract of Annual Return, in form MGT 9, for the Financial Year ended 2019-2020 is attached with this report as **Appendix I**.

Performance and Financial Position of Subsidiaries and Associates

There are no Associates or Joint Ventures as on March 31, 2020.

Secretarial Audit Report

The Secretarial Audit Report issued by Company Secretary in Practice has been annexed to this Report as **Appendix II**.

Audit Committee

The Committee met four times during the year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The Committee as on 31st March, 2020 comprises of Ms. Nanda Sengupta, Mr. Shovan Modak and Mr. Kamal Dani. All recommendations made by the Audit Committee during the year were accepted by the Board.

Statutory Auditor

M/s Mamta Jain & Associates, Chartered Accountants, having Registration No. 328746E, was appointed as the Statutory Auditors of the Company for a period of five consecutive years from the year ending 31st March, 2019 to 31st March, 2023. The requirement for the annual ratification of auditor's appointment at the AGM has been omitted pursuant to Companies (Amendment) Act, 2017 effective from May 7, 2018.

Explanation to Auditor's Remarks

The Auditors' report and Secretarial Auditors' Report does not contain any qualifications, reservations or adverse remarks. The Auditor's report and Secretarial Auditors' Report is enclosed with the financial statements in this Annual Report.

Material Changes Affecting the Financial Position of the Company

There were no material changes affecting the Financial Position of the company since its last balance sheet date which could have affected the Company.

Particulars of Loan, Guarantees and Investments under Section 186

These details have been provided in the Financial Statements of the Company pursuant to Section 186(4).

Particulars of Contracts or Arrangements with Related Parties

The particulars of contracts or arrangements with related parties, referred to in Section 188(1) of the Companies Act 2013 for the Financial Year 2019-20 in the prescribed format, AOC 2 is attached with this report as **Appendix III**.

Deposits

During the year under review the company has not accepted or renewed any deposits under section 73 to 76 of the Companies Act 2013 read with Companies (Acceptance of Deposits) Rules 2014.

Conservation of Energy, Technology, Absorption

The operations of the Company are not energy intensive. However, adequate measures have been taken to ensure the use of energy-efficient equipments which are environment friendly.

Foreign Exchange Earnings and Outgo

Foreign Exchange Earnings	:	Nil
Foreign Exchange Outgo	:	Nil

Risk Management Policy

The Board has approved a Risk Management Policy in commensuration to the size and nature of the business which includes adherence to general financial discipline and checks to safeguard unauthorized use of company assets and finance. The same are reviewed and revised as per the needs to minimize and control the risk. The Risk Management Policy of the Company can be accessed at www.navketanmerchants.com

Details of Directors and Key Managerial Personnel

Mr. Amit Kumar Bandyopadhyay, Director of the company, resigned from the Board with effect from 23.10.2019. Ms Pooja Bothra, Company Secretary, resigned w.e.f 13.03.2020.

Mr. Mridul Bhattacharya, was appointed as Non-Executive –Non-Independent Director with effect from 23.10.2019.

Number of Board Meetings

The Board met 6(six) times during the year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Details of significant & material orders passed by the regulators or courts or tribunal

No significant or material orders were passed by the regulators or court or tribunal against the company.

Fraud Reporting

The company has adopted best practices for fraud prevention and reporting. No fraud on or by the company has been reported by the statutory auditors.

Voluntary Revision of Financial Statements or Board's Report

There has not been any such revision during the year under report.

Receipt of any commission by MD / WTD from the Company or for receipt of commission / remuneration from its Holding or subsidiary

The Managing Director of the company has not received any commission / remuneration from the Company or its Subsidiary during the year under review.

Declaration by Independent Director

The company has received necessary declaration from independent directors under section 149(7) of the Companies Act 2013 that they meet the criteria of independence as laid down in section 149(6) of the Companies Act 2013 and rules made there under and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), 2015.

Corporate Social Responsibility (CSR) Policy

Since any of the thresholds under section 135 of the companies Act, 2013 were not triggered during the year under review so the Company is not required to frame a CSR Policy or comply with any other requirements as mentioned under section 135.

Disclosure on Establishment of a Vigil Mechanism

The Company has established a Vigil Mechanism that enables the Directors and Employees to report genuine concerns. The Vigil Mechanism provides for:

- (a) adequate safeguards against victimization of persons who use the Vigil Mechanism; and
- (b) direct access to the Chairperson of the Audit Committee of the Board of Directors of the Company in appropriate or exceptional cases.

Corporate Governance

The Company has taken adequate steps to ensure that all mandatory provisions of "Corporate Governance" as provided in Regulations 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements), 2015, as applicable, are duly complied.

The Report on Corporate Governance as per the requirement of SEBI (Listing Obligations and Disclosure Requirements), 2015 forms part of this report as **Appendix IV**.

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has zero tolerance towards any kind of harassment, and the Company has less than 10 (ten) employees and no cases of harassment were filed or reported during the year under report.

Criteria for Determining Qualifications, Positive Attributes and Independence of the Director

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of section 178(3) of the Act and Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Nomination and remuneration committee (NRC) identifies persons who are qualified to become directors in accordance with the criteria laid down. The NRC review the composition and diversity

of Board, keeping in view the requirement of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommend to the Board appointment/reappointment of eligible candidates including their terms of appointment and remuneration.

Annual Evaluation of Board Performance and Performance of its Committees and Directors

The Board evaluated the effectiveness of its functioning and that of the Committees and of individual directors by seeking their inputs on various aspects of Board/Committee Governance. The aspects covered in the evaluation included the contribution to and monitoring of corporate governance practices, participation in the long-term strategic planning and the fulfillment of Directors' obligations and fiduciary responsibilities, including but not limited to, active participation at the Board and Committee meetings.

Further, the Independent Directors at their meeting reviewed the performance of Board and of Non-Executive Directors.

Nomination & Remuneration Committee Policy

The Company has duly constituted a Nomination and Remuneration Committee in compliance with provisions of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee has also adopted a Remuneration Policy for the Directors, Key Managerial Personnel and other employees.

Particulars of Employees

The information required under Section 197 details of Ratio of Remuneration of Director pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as under:

Sl No.	Basis	Particulars	
1	The ratio of the remuneration of each whole time director or managing director to the median remuneration of the employees of the company for the financial year;	Name of directors	Ratio
		Kamal Dani	4:1
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Name of Directors/CFO/CEO/CS	% increase
		There was no increase in the salary of Directors/ CFO/CEO/CS	
3	The percentage increase in the median remuneration of employees in the financial year;	Nil	

4	the number of permanent employees on the rolls of Company;	2 excluding Key Managerial Personnel
5	Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	There was no significant increase in the salary of employee of the Company in the last financial year. Further, managerial personnel have been appointed in the current financial year. The Company currently has nominal profit margin only and direct relationship between changes in remuneration viz-a-viz performance will get reflected in future years
6	Affirmation that the remuneration is as per the remuneration policy of the company	This is hereby confirmed that the remuneration is in accordance with the remuneration policy formulated by the Nomination and Remuneration Committee of the Board and adopted by the Board of the Company

Directors Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had 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 31st March, 2020 and of the profit /loss of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

- f) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

Acknowledgment

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

Place: Kolkata
Date: 27th October, 2020

For and on behalf of the Board of Directors

**Kamal Dani
(Managing Director)
DIN: 07960272**

**Shovan Modak
(Director)
DIN: 07957812**

FormNo.MGT-9
EXTRACT OF ANNUAL RETURN
 AS ON THE FINANCIAL YEAR ENDED MARCH 31, 2020
*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
 Companies (Management and Administration) Rules, 2014]*

I. REGISTRATION&OTHERDETAILS

CIN	L51909WB1994PLC062027
Registration Date	02/03/1994
Name of the Company	Navketan Merchants Limited
Category/Sub-Category of the Company	Company Limited by Shares
Address of the Registered office and contact details	12, Waterloo Street, Kolkata 700 069
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	ABS Consultant Private Limited 4, B.B.D Bag (East) 99, Stephen House, 6th Floor Kolkata 700001

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated: -

Sr. No.	Name and Description of main products / services	NIC Code of the product/Service	% to total turnover of the company
1	Sale of Sarees and Cotton Yarn	47	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name & Address of the Company	CIN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
NIL					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as % of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end Of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
<i>1) Indian</i>									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Government / State Government	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
e) Any Other									
Sub-total(A)(1):-	-	-	-	-	-	-	-	-	-
<i>2) Foreign</i>									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporates									
d) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)									
Total shareholding of Promoters(A)=(A)(1)+(A)(2)	-	-	-	-	-	-	-	-	-
B. PUBLIC SHAREHOLDING									
<i>1) Institutions</i>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Institutional	-	-	-	-	-	-	-	-	-

NAVKETAN MERCHANTS LIMITED

Investors									
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2) Non-Institutions									
a) Bodies Corporate									
(i) Indian	7371726	897000	8268726	22.93	7424048	897000	8321048	23.07	(0.15)
(ii) Overseas	200	-	200		4200	-	4200		-
b)									
Individuals									
(i) Individual shareholders holding nominal share capital upto Rs 1 lakh	2137068	1128301	3265369	09.05	2179939	1128301	3308240	9.17	(0.12)
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	11375005	13152800	24527805	68.02	11275812	13152800	24428612	67.74	0.28
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	20883999	15178101	36062100	100	20883999	15178101	36062100	100	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	20883999	15178101	36062100	100	20883999	15178101	36062100	100	-
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	-	-	-	-	-	-	-	-	-
GRANDTOTAL (A+B+C)	20883999	15178101	36062100	100	20883999	15178101	36062100	100	-

ii. Shareholding of Promoters

Sl. No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
No Promoter Shareholding								

iii. Change in Promoters' Shareholding (please specify, if there is no change)

There is no Promoter Shareholding in the Company.

iv. Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No	Name of the shareholder	Shareholding at the beginning of the year 01.04.2019		Cumulative Shareholding end of the year 31.03.2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Optimix Securities Pvt Ltd	-	-	1528575	4.24
2	Vishal Gupta	1780500	4.94	1420500	3.94
3	Flexi VintradePvt Ltd	874414	2.42	874414	2.42
4	S.L.N.Finance &Leasing Pvt. Ltd.	852000	2.36	852000	2.36
5	Manisha N Kothari	621846	1.72	621846	1.72
6	JaideepPande	540000	1.50	540000	1.50
7	SabihaAlam	540000	1.50	540000	1.50
8	K Sathish Kumar	509782	1.41	509782	1.41
9	Arnav Financial Services Pvt.Ltd.	-	-	501247	1.39
10	Bodkin MarketingPrivate Limited	500000	1.39	500000	1.39
11	Endless Properties Private Limited	500000	1.39	500000	1.39

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No	Name of the Director	Date	Shareholding		Cumulative Shareholding during the year	
			No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	-	01.04.2019	-	-	-	-
		31.03.2020	-	-	-	-

V. Indebtedness:

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
• Additions	-	-	-	-
• Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No	Particulars of Remuneration	Name of the MD/WTD/ Manager	Total Amount
		Kamal Dani	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	300000	300000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	NIL	NIL
2	Stock option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission		
	-as % of profit	NIL	NIL
	-others (specify)	NIL	NIL
5	Others, please specify	NA	NA
	Total (A)	300000	300000
	Ceiling as per the Act (Part II Section II of schedule V of companies Act 2013)		42,00,000

B. Remuneration to other directors:

(inRs)

Sl.No	Particulars of Remuneration	Fee for attending Board/Committee Meetings	Commission	Other, Please Specify	Total Amount
1	Independent Directors				
	Shovan Modak	NIL	NA	NA	NIL
	Anshu Diwan (Resigned : 01.07.2019)	NIL	NA	NA	NIL
	Nanda Sengupta (Appt: 01.07.2019)	NIL	NA	NA	NIL
	Mridul Bhattacharya(Appt: 23.10.2019)				
	Total(1)	NIL	NA	NA	NIL
2	Non-Executive Directors				NIL
	Amit Kumar Bandyopadhyay(Resigned: 23.10.2019)	NIL	NA	NA	NIL
	Total(2)	NIL	NA	NA	NIL
	Total (1+2)	NIL	NA	NA	NIL
	Overall Ceiling as per the Act.	NA	NA	NA	NA

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD

(inRs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
			Pooja Bothra (March 28,2019 to 13 th March, 2020)		
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	NA	300000	-	300000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-		-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-		-	-
2	Stock option	-		-	-
3	Sweat Equity	-		-	-
4	Commission	-		-	-
	as % of profit	-		-	-
	others, specify	-		-	-
5	Others, please specify	-		-	-
	Total	NA	300000	-	300000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

During the year under the Report, no Penalty/ Punishment was awarded on the Company or its officers. Further, neither the Company nor its officers had undergone Compounding of Offense. Hence, details under this section have not been provided.

Place: Kolkata

Date : 27th October,2020

For and on behalf of the Board of Directors

Kamal Dani
(Managing Director)
DIN: 07960272

ShovanModak
(Director)
DIN: 07957812

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members
Navketan Merchants Limited
12 Waterloo Street,
Kolkata 700069

Company No.: L51909WB1994PLC062027
Authorized Capital: Rs 37 Crores

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Navketan Merchants Limited (hereinafter called the company). The secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner reported hereinafter.

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of -
 - i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Not Applicable to the Company during the Audit Period;**
 - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - **Not Applicable to the Company during the Audit Period;**
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - **Not Applicable to the Company during the Audit Period;**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable to the Company during the Audit Period;**
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not Applicable to the Company during the Audit period; and**

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable to the Company during Audit period.

vi. The Memorandum and Articles of Association.

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards (SS-1 and SS-2) as issued by The Institute of Company Secretaries of India;
- ii. The Equity Listing Agreement entered into by the Company with The Stock Exchanges and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to us, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc., mentioned above,

2. I further report that:

- a. the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other Companies and interest in other entities;
- b. the Directors have complied with the disclosure requirements in respect to their eligibility of appointment, their being independent, compliance with the code of conduct for Directors and Senior Management Personnel as per the Company's Policy and with the Insider Trading code of conduct and;
- c. the Company has obtained all necessary approvals under the various provisions of the Act; and
- d. there was no prosecution initiated against or show cause notice received by the Company during the year under review under the Companies Act, SEBI Act, Depositories Act, Listing Agreement and rules, regulations and guidelines under these Acts against / on the Company, its Directors and Officers.

3. I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Director (one) and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

4. I further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For Ankita Nevatia & Company
Practicing Company Secretaries**

Place: Kolkata
Date: 27th October, 2020

ANKITA NEVATIA
C. P. No.: 9709
FCS No.: 8510

Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: None

2. Details of material contracts or arrangement or transactions at arm's length basis: None

Place: Kolkata
Date: 27th October, 2020

For and on behalf of the Board of Directors

**Kamal Dani
(Managing Director)
DIN: 07960272**

**Shovan Modak
(Director)
DIN: 07957812**

REPORT ON CORPORATE GOVERNANCE

The Report contains the details of Corporate Governance System and related processes at Navketan Merchants Limited in accordance with Clause 49 of the Listing Agreements and Regulations 17 to 27 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company firmly believes in practice of good Corporate Governance and in protecting the rights and interests of its shareholders, customers, dealers, employees and with the every individual who deals and comes in contact with the Company by instilling the principle of integrity, transparency, professionalism, accountability and check at the different levels of the management of the Company.

2. CODE OF CONDUCT

The Board has laid down a Code of Conduct for all the Board Members and Senior Management of the Company. All the Board Members and Senior Management personnel have affirmed compliance with the Code for Financial Year 2019-20. A declaration to this effect duly signed by the Managing Director and the Chief Executive Officer form's part of this Annual Report.

3. BOARD OF DIRECTORS**Composition and Board Meetings**

The company's Board comprises a combination of both executive and non-executive Directors. The Board as on 31st March, 2020 consists of 4 Directors, comprising of two (2) Independent Director, a Managing Director and a Non-Executive Director. The mix provides a combination of professionalism, knowledge, experience required in the line of Business of the Company.

The Non-Executive Directors are liable to retire by rotation.

All Independent Directors of the Company have been appointed as per the provisions of the Companies Act 2013 and rules framed there under and as per clause 49 of Listing Agreement.

During the financial year 2019-20, 6 (six) Board Meetings were held on - 29th May, 2019; 1st July, 2019; 13th August, 2019; 23rd October, 2019; 13th November, 2019, 13th February, 2020. The maximum gap between any two meetings was less than one hundred and twenty (120) days as stipulated under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As mandated under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, none of the Directors on the Board is a member of more than 10 Committees of Board or Chairman of more than 5 Committees across all the Companies in which he/she is a Director. The details of each Member of the Board along with number of Directorship(s)/Committee Membership(s) held by Directors in any other companies along with all other requisite information are provided herein below for the period ended March 31, 2020:

NAVKETAN MERCHANTS LIMITED

Name	Category of Directorship	DIN	No. of Board Meetings Attended	Attendance at last AGM held on 28.09.2019	No. of Directorships in other companies as on 31.03.2020	No. of other Committee(s) of Board in which he/she is a member	No. of other Board Committee(s) of which he is a Chairman
Kamal Dani	Executive Director	07960272	6	Present	20	2	0
Anshu Diwan***	Non-Executive - Independent Director	07274236	2	NA	2	5	1
Nanda Sengupta****	Independent & Non Executive Director	08472649	4	Present	8	5	1
Amit Kumar Bandhopadhyay*	Non-Executive - Non Independent Director	00424073	4	Present	20	NIL	NIL
Mridul Bhattacharya**	Non-Executive - Non Independent Director	06863165	2	Present	20	NIL	NIL
Shovan Modak	Non-Executive - Independent Director	07957812	6	Present	20	2	3

*Amit Kumar Bandhopadhyay resigned on 23/10/2019

**Mridul Bhattacharya appointed on 23/10/2019

***Anshu Diwan resigned on 01/07/2019

****Nanda Sengupta appointed on 01/07/2019

Separate Meeting of Independent Directors:

A separate meeting of Independent Directors of the Company was held on 13th February, 2020 as required under Schedule IV to the Companies Act 2013 (Code of Independent Directors) and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. At the Meeting, the Independent Directors:

- (a) Reviewed the performance of Non-Independent Directors and the Board as a whole; and
- (b) Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Ms Nanda Sengupta and Mr Mridul Bhattacharya attended the Meeting of Independent Directors while Mr Shovan Modak chaired the meeting.

None of the Non-Executive Directors and Independent Directors of the Company has any material pecuniary relationship or transactions with the Company.

4. COMMITTEES OF BOARD

The company has three Board Committees namely Audit Committees, Nomination & Remuneration Committee and Stakeholders' Grievance Committee. The terms and reference of all three Board Committees were determined by the Board. The role and Composition of these board committees, including the number of meetings held and corresponding attendance at the meetings have been produced below:

(A) Audit Committee

The Company has duly constituted an Audit Committee in compliance with Regulation 18(1) of the SEBI (Listing Obligations and disclosure Requirements) Regulation, 2015.

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

Composition, Name of Members, Chairman, Meetings & Attendance

The Audit Committee comprises of three (3) members of the Board who are financially literate and have expertise in finance & General Management matters. During the year Four (4) Audit Committee meetings were held on 29th May, 2019; 29th August 2019; 20th November, 2019 and 13th February, 2020.

The Composition of Audit Committee and the meetings attended by each member are as under:

Name & Designation	Category	Number of Meetings Attended
Mr.Shovan Modak (Chairman)	Non-Executive - Independent Director	4
Ms Anshu Diwan (Member)*	Non-Executive - Independent Director	1
Mr. Mridul Bhattacharya (Member)**	Non-Executive - Non Independent Director	2
Mr.Kamal Dani (Member)	Executive Director	4
Mr. Amit Kumar Bhandhopadyay (Member)*	Non-Executive - Non Independent	2
Ms. Nanda Sengupta (Member)**	Non-Executive - Independent Director	3

* Anshu Diwan resigned on 01/07/2019

*Amit Kumar Bhandhopadyay resigned on 23/10/2019

**Nanda Sengupta appointed on 01/07/2019

**Mridul Bhattacharya appointed on 23/10/2019

As on 31st March, 2020 the Audit Committee comprises of 3 directors, Mr. Shovan Modak(Chairman), Ms Nanda Sengupta (Member) and Mr. Kamal Dani (Member).

The Scope of Audit Committee, Inter alia, includes:

- Reviewing the annual, half-yearly and quarterly financial statements before submission to the Board;
- Recommending the appointment and removal of auditors and fixing their remuneration;
- To discuss and review the comment on Internal Audit Reports submitted by Company's Internal Auditor;
- Evaluation of Internal Financial Control and Risk Management Systems;
- Evaluation of accounting and financial reporting processes of the Company including the integrity of the audited financial results and other financial information provided by the company to stockholders, public, any stock exchange and others.

(B) Nomination and Remuneration Committee

The Company has duly constituted a Nomination and Remuneration in compliance with Regulation 19 of the SEBI (Listing Obligations and disclosure Requirements) Regulation, 2015.

Terms of reference of the committee inter alia, includes:

- a) Make recommendations regarding the composition of the Board, identify Independent Directors to be inducted to the Board from time to time and take steps to refresh the composition of the Board from time to time.
- b) Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carry out evaluation of every Director's performance.
- c) Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board Policy relating to the remuneration of the Directors, key managerial personnel and other employees.
- d) Formulate criteria for evaluation of Independent Directors and the Board.

Composition, Name of Members, Chairman, Meetings & Attendance:

The Composition of Nomination and Remuneration Committee as on 31.03.2020 and the meetings attended by each member are as under:

Name & Designation	Category	Number of Meetings Attended
Mr Shovan Modak (Chairman)	Non-Executive - Independent Director	4
Ms Anshu Diwan (Member) (Resigned on 01/07/2019)	Non-Executive - Independent Director	1
Mr Amit Kumar Bandhopadhyay (Member)(Resigned on 23/10/2019)	Non-Executive - Non-Independent Director	2
Ms Nanda Sengupta (Member)(appointed on 01/07/2019)	Non-Executive - Independent Director	3
Mr Mridul Bhattacharya (Member)(appointed on 23/10/2019)	Non-Executive –Non-Independent Director	2

Remuneration Policy

The Company has adopted a Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act and SEBI (Listing Obligations and disclosure Requirements) Regulation, 2015.

The philosophy for remuneration of Directors, Key Managerial Personnel and all other employees of the Company is based on the commitment of fostering an enduring relationship based on trust. The Remuneration Policy of the Company is aligned to this philosophy.

The Nomination and Remuneration Committee has considered the following factors while formulating the Policy:

- i. Determine the level and composition of remuneration that will attract, retain and motivate directors, KMPs, senior managerial personnel and other employees of the Company.
- ii. Provide a well-balanced and performance based remuneration package taking into account industry standard and relevant corporate regulations.
- iii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

(C) Stakeholders' Grievance Committee or Stakeholders Relationship Committee

The Company has a stakeholders Grievance committee of directors to look into the matter relating to transfer or credit of shares, non-receipt of dividend / notices / annual reports, etc.

The composition of the Grievance Committee is as under: -

Name & Designation	Category
Ms Nanda Sengupta (Chairman)*	Non-Executive Independent Director
Ms Anshu Diwan*	Non-Executive Independent Director
Mr Shovan Modak (Member)	Non-Executive - Independent Director
Mr. Kamal Dani (Member)	Executive Director

*Ms Nanda Sengupta appointed on 01/07/2019 and Ms Anshu Diwan resigned on 01/07/2019

As on 31st March, 2020 the Stakeholders Grievance comprises of 3 directors, Ms. Nanda Sengupta (Chairman), Mr. Shovan Modak (Member) and Mr. Kamal Dani (Member).

5. GENERAL BODY MEETINGS

i. General Meetings

a) Annual General Meeting:

The Details of the last three Annual General Meetings held by the company are as under:

Financial Year	Location	Time	Date	Special Resolution Passed
2018-19	12, Waterloo Street, Kolkata 700 069	11:00 AM	30.09.2019	1
2017-18	12, Waterloo Street, Kolkata 700 069	11:00 AM	28.09.2018	1
2016-17	12, Waterloo Street, Kolkata 700 069	10:00 AM	22.09.2017	1

b) Extraordinary general meeting:

No extraordinary general meeting of the members was held during the year 2019-20

ii) Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern:

During the year under review, no special resolution has been passed through the exercise of postal ballot.

6. DISCLOSURES

During the year ended 31st March, 2020, we would like to disclose that-

a. There was no materially significant related party transaction i.e. transactions of the company of material nature, with its directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. The board has approved a policy for related party transactions which has been uploaded on the Company's website and can be viewed on the following link-

<http://navketanmerchants.com/pdf/policies/rpp.pdf>

b. No penalties/strictures have been imposed on the Company by the Stock Exchange / SEBI / Statutory Authorities on any matter related to Capital markets during the last three years.

c. The company in compliance with Listing Agreement and Provision of Companies Act, 2013 have formulated Whistle Blower Policy which enables Directors and employees to report their genuine concerns. The mechanism provides for adequate safeguards against the victimization of persons who use this mechanism and make provision for direct access to the Chairman of the Audit Committee in appropriate and exceptional

cases. No person has been denied access to the Chairman of the Audit Committee. The said policy has been also put up on the website of the Company and can be viewed on the following link-

<http://www.navketanmerchants.com/pdf/policies/wbp.pdf>

d. The Company is in full compliance with the mandatory requirements as contained in Regulations 17 to 27 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable. The Company has not adopted any non-mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, except formulation of 'Whistle Blower Policy' which is mandatory as per Companies Act, 2013.

7. MEANS OF COMMUNICATION

The Company has submitted its Quarterly, Half Yearly and Yearly Financial Results to the Stock Exchange soon after its approval by the Board and published the same in two newspapers circulating in the state in which registered office of the Company is situated. The results are also displayed on the website of the company at <http://www.navketanmerchants.com>. No presentations were made to the institutional investors or analysts during the period under review.

8. SUBSIDIARY COMPANY

There are or were no Subsidiary during the year ended as on March 31, 2020.

9. GENERAL SHAREHOLDER INFORMATION

1. Annual General Meeting:

Date : 19th November, 2020
 Time : 11:00 a.m
 Venue : 12, Waterloo Street, Kolkata 700 069

2. Financial Calendar for 2019-20 to approve quarterly/annual financial results:

Quarter ended 30 th June, 2019	On or before 14 th August, 2019
Quarter ended 30 th September, 2019	On or before 14 th November, 2019
Quarter ended 31 st December, 2019	On or before 14 th February, 2020
Quarter ended 31 st March, 2020	On or before 31 st July, 2020 (Vide SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/106)

3. Date of Book Closure:

As mentioned in the notice of AGM to be held on 19th November, 2020.

4. Dividend payment Date:

N. A.

5. Listing on Stock Exchange:

- a. BSE Limited (BSE Ltd), 25th floor, P. J. Towers, Dalal Street, Mumbai 400 001
- b. The Calcutta Stock Exchange Association Limited (CSE), 7 Lyons Range, Kolkata 700 001

The Company has paid Listing Fees in respect of its listed equity shares to both the Stock Exchanges.

6. Stock Code:

BSE Limited: 539525

CSE Limited: 024156

7. ISIN:

INE365G01016

8. Market Price Data during the last financial year:

Company's equity shares are listed on BSE Limited and the Calcutta Stock Exchange Limited (CSE). The Trading platform of CSE is nonoperational, hence, Market Price Data is not applicable. However, Market price data of the company at BSE for the Financial Year 2019-20 is as under:

Month	High Price	Low Price
Apr-19	0.33	0.28
May-19	0.28	0.22
Jun-19	0.23	0.19
Jul-19	0.20	0.19
Aug-19	0.19	0.19
Sep-19	0.20	0.19
Oct-19	0.20	0.19
Nov-19	0.19	0.19
Dec-19	0.21	0.19
Jan-20	0.21	0.20
Feb-20	0.20	0.19
Mar-20	0.19	0.19

9. Performance in comparison to broad-based indices such as BSE Sensex:



10. Registrar and Share Transfer Agents Name and Address :

ABS Consultant Private Limited
 4, B.B.D. Bag (East)
 99, Stephen House, 6th Floor,
 Kolkata 700 001

11. Share Transfer System :

ABS Consultant Private Limited
 4, B.B.D. Bag (East)
 99, Stephen House, 6th Floor,
 Kolkata 700 001

12. Distribution of Shareholding as on 31st March, 2020:

No. of Shares	Shareholders		Shares	
	Number	%	Number	Value
Upto - 500	336	22.34	35091	350910
501 - 1000	89	5.92	83425	834250
1001 - 2000	90	5.98	155551	1555510
2001 - 3000	66	4.39	176170	1761700
3001 - 4000	129	8.58	508762	5087620
4001 - 5000	48	3.19	233389	2333890
5001 - 10000	295	19.61	2219072	22190720
10001 & Above	451	29.99	32650640	326506400
Total	1504	100.00	36062100	360621000

Category of Shareholders as on 31st March, 2020:

Status	No. of Shares	Percentage of total holding
Individuals	27736852	76.91 %
Bodies Corporate	8321048	23.07 %

13. Dematerialization of Shares and liquidity:

Sl. No.	Shareholder	Total Number of shareholders	Total Number of Shares	Number of shares held in dematerialized form
(A)	Shareholding of Promoter and Promoter Group			
(1)	Indian	-	-	-
(2)	Foreign	-	-	-
	Total Shareholding of Promoter and Promoter Group	-	-	-
(B)	Public Shareholding			
(1)	Institutions	-	-	-
(2)	Non-Institutions			
	a) Bodies Corporate	58	8321048	7424048
	b) Individual (upto Rs 1 lakh)	1023	3308240	2179939
	c) Individual (excess Rs 1 lakh)	420	24428612	11275812
	Total Public Shareholding	1504	36062100	20883999
	Total (A) +(B)	1504	36062100	20883999

14. Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2019, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

15. Plant Location : N. A.

16. Address for correspondence :12 Waterloo Street, Kolkata 700 069

CEO CERTIFICATION

The Board of Directors
Navketan Merchants Ltd

Dear Members of the Board,

I, Kamal Dani, Managing Director of Navketan Merchants Limited, to the best of our knowledge and belief, certify that:

(a) I have reviewed financial statements and the cash flow statement for the financial year ended on 31.03.2020:

- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading with respect to the period covered by this report;
- (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 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 accept responsibility 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.

Place: Kolkata
Date: 27th October, 2020

Kamal Dani
(Managing Director)
DIN 07960272

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

**TO
THE MEMBERS OF
NAVKETAN MERCHANTS LIMITED**

We have examined the compliance of conditions of Corporate Governance by Navketan Merchants Limited ("the Company"), for the year ended March 31, 2020, as stipulated in relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulation) as referred to in Regulation 15 (2) of the Listing Regulation.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the 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 to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we hereby certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements / Listing Regulations as applicable.

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

**For Mamta Jain & Associates
Chartered Accountants
FRN: 328746E**

**Dated: 27th October, 2020
Kolkata**

**Mamta Jain
Proprietor
Membership No. 304549**

**ANNEXURE "A" TO THE DIRECTORS' REPORT
MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

INDUSTRY STRUCTURE AND DEVELOPMENTS & OPPORTUNITIES AND THREATS

The textile industry is one of the largest organized industries in the country in terms of employment and number of units. Besides, there are a large number of supplementary industries dependent on this sector, such as those manufacturing machinery, accessories, stores, ancillaries, dyes and chemicals. The textile industry is one of the oldest and the most widespread industries in the country and it is mainly engaged in the activities of yarn production, weaving, processing as well as embroidery. This industry has grown considerably over time. As per recent figures, textile production has grown in the last 5 years. One of the main reasons behind the growth of the textile industry is the people's ability to adapt to the latest trends and strong entrepreneurial skills of the industrialists. The Saree market is huge, unorganized and growing at an incredible rate. The 5000-year-old apparel has seen rise and fall of regimes and has dominated the apparel market in the toughest of economic downturns (recession).

The Board is positive about industry outlook and endeavors to continuously look for opportunities and identify and mitigate any risks involved. The Company wishes to expand in the near future.

OUTLOOK

Indian economy is adversely affected by persistent inflation over the last few years. The rising incomes propped the purchasing power of the population, driving consumption demand in sectors, where supply lagged particularly, in textile industry.

Since the company's performance largely depends on the Textile market, it is concentrating at streamlining its current business activities which will allow for greater operational efficiency in future. Providing quality products at a great value has always been its endeavor. The Company will take this endeavor a notch upwards by enhancing its business activities. The Company is in process to continuously employ resources in best possible manner.

The following are the key motives of the Company:

- Leveraging resources to deliver innovative and successful product portfolio
- To bring in efficiency through consistent and continuous improvement process throughout all the levels in the Organization
- To develop a Customer Centric approach
- To develop a Strong Marketing Network

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has proper and adequate internal control systems commensurate with its size and nature of business. Conforming to the requirements of the regulatory authorities such as the SEBI and consistent with the requirements of the Listing Agreements with the Stock Exchanges, the company has framed an elaborate system of control process designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, reliability of financial controls and compliance with applicable laws and regulations. The management information system forms an effective and sound tool for monitoring and controlling all operating parameters. Regular internal audits by the Audit Committee ensure that responsibilities are executed effectively and the adequate internal control systems for the business processes are adhered to in all required respect.

RISKS AND CONCERNS

The results of operations, business prospects and the financial position of the Company are subject to a number of risks and uncertainties and are affected by a number of factors beyond its control. Given the volatile trend in fabrics and demand for fabrics for competing applications, the pressure on costs can be expected to fluctuate.

FINANCIAL REVIEW

During the year under review, the Company's Gross Turnover has been NIL.

HUMAN RESOURCES

The Company has few permanent employees who focus on realizing the goals and objectives of the Company. All the appointments of the Board members and Key Managerial Personnel were in accordance with the Company's Nomination and remuneration policy. The company during the year under review has also taken contractual service to maintain its records & documents.

CAUTIONARY STATEMENT

The statements in the report may be "forward looking statements" within the meaning of applicable laws or regulations. These statements are made on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Important factors that could make a significant difference to the Company's operations availability and prices of goods procured, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic conditions affecting demand/supplies, and other environmental factors over which the Company does not have any control. The financial statements are prepared under historical cost convention on accrual basis of accounting and in accordance with the provisions of the Companies Act, 2013 and applicable Accounting Standards.



MAMTA JAIN & ASSOCIATES
Chartered Accountants

Vrindavan Apartment
14, Watkins Lane, 3rd floor
Howrah-711101
☎ : (+91) 9007713465
Email : mamtajain20@gmail.com

INDEPENDENT AUDITORS' REPORT

The Members

Navketan Merchants Limited,

Report on the Financial Statements

Opinion

We have audited accompanying financial statements of **NAVKETAN MERCHANTS LIMITED** ("the Company"), which comprise of the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by The Companies Act, 2013 ("The Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other 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, 2020.
- ii) In the case of the statement of profit and loss of the profit for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independent requirement that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated if, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

“We have nothing to report in this regard.”

Management’s Responsibility for the Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users on the basis of these financial results.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of

the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism through- out the audit. We also:

- a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatement in the financial statements that, individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our Audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure ('Annexure A') a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and 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 it appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the Directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors), 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. In our opinion and as per the information and explanations provides to us, the Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses, and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. With respect to the matter to be included in the Auditors' Report under Section 197(16):
In our opinion and according to the information and explanations give to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For Mamta Jain & Associates
Chartered Accountants
Firm Registration Number: 328746E

Mamta Jain
Proprietor
Membership No:304549
UDIN: 20304549AAAABN9161

Place: Kolkata
Date: 29th June, 2020

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NAVKETAN MERCHANTS LIMITED

Referred to in Paragraph 1 under section "Report on Other Legal and Regulatory Requirements", of our report of even date

1. (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets
(b) These fixed assets have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification;
(c) The company does not possess any immovable property and hence this clause is not applicable.
2. Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.
3. As per information and explanations given to us, the company has not granted loans to Company, Firm, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, paragraph 3(iii)(a) to (c) of the order are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.
5. The Company has not accepted any deposits from the public. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
6. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
7. (a) According to the information given to us and on the basis of our examination of the books of the Company, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues to the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable.

(b) On the basis of the information and explanations given to us, there are no material dues with respect to income tax or sales tax or service tax or duty of customs or duty of excise or value added tax pending with appropriate authorities on account of any dispute..

8. The Company has not availed any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable to the company.
9. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the company.

10. To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is *not a Nidhi company*. Accordingly, paragraph 3(xii) of the Order is not applicable to the company.
13. In our opinion and according to information and explanations given to us, the company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and details of related party transactions have been disclosed in the Financial Statements as required by applicable Accounting Standards.
14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
15. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the company.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Mamta Jain & Associates
Chartered Accountants
Firm Registration Number: 328746E

Mamta Jain
Proprietor
Membership No:304549
UDIN: 20304549AAAABN9161

Place: Kolkata
Date: 29th June, 2020

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF NAVKETAN MERCHANTS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Navketan Merchants Limited ("the Company")** as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with Generally Accepted Accounting Principles (GAAP), and that receipts

and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Mamta Jain & Associates
Chartered Accountants
Firm Registration Number: 328746E

Mamta Jain
Proprietor
Membership No:304549
UDIN: 20304549AAAABN9161

Place: Kolkata
Date: 29th June, 2020

Balance Sheet as on 31st March, 2020

NAVKETAN MERCHANTS LIMITED
 CIN: L51909WB1994PLC062027
 12, Waterloo Street Kolkata - 700069
 Email Id: info@navketanmerchants.com

Balance Sheet as on 31st March 2020

Particulars	Note No	As on 31.03.2020	As on 31.03.2019
		Amount (Rs)	Amount (Rs)
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	2	16,926	20,337
(b) Financial Assets			
(i) Investments	3	1,20,72,950	1,13,03,926
(c) Deferred Tax Assets	4	500	3,470
Current assets			
(a) Inventories	5	2,50,686	2,50,686
(b) Financial Assets			
(i) Trade Receivables	6	18,18,00,322	18,31,05,928
(ii) Cash and cash equivalents	7	12,02,087	13,15,326
(iii) Loans & Advances	8	2,30,00,000	2,30,00,000
(c) Other Current Assets	9	21,49,08,440	21,47,92,648
Total Assets		43,32,51,911	43,37,92,321
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	10	36,06,21,000	36,06,21,000
(b) Other Equity	11	7,26,17,915	7,31,10,601
Liabilities			
Current liabilities			
(a) Other current liabilities	12	12,996	60,720
(b) Current tax liabilities (Net)	13	-	-
Total Equity and Liabilities		43,32,51,911	43,37,92,321

See accompanying notes to Financial Statements 1

For MAMTA JAIN & ASSOCIATES
 Chartered Accountants
 Firm Reg. No.328746E

For Navketan Merchants Limited

Mamta Jain
 (Proprietor)
 Membership No.304549
 UDIN: 20304549AAAABN9161

Shovan Modak
 Director
 DIN: 07957812

Kamal Dani
 Managing Director
 DIN: 07960272

Goutam Chowdhury

Arya Shaw

CFO

Company Secretary

Place : Kolkata

Date : 29-06-2020

M.No. A53188

NAVKETAN MERCHANTS LIMITED
 CIN: L51909WB1994PLC062027
 12, Waterloo Street Kolkata - 700069
 Email Id: info@navketanmerchants.com

Statement of Profit & Loss for the year ended 31.03.2020

Particulars	Note No	For the year ended 31.03.2020	For the year ended 31.03.2019
		Amount (Rs)	Amount (Rs)
I Revenue From Operations	14	-	14,71,439
II Other Income	15	4,85,574	1,50,336
III Total Income (I+II)		4,85,574	16,21,775
IV Expenses			
Purchase of Stock in Trade	16	-	52,500
Changes in Inventories		-	12,22,381
Employee benefits expense	17	3,83,654	6,11,049
Depreciation & Amortisation Expenses	2	3,411	4,418
Other Expenses	18	5,88,225	6,77,668
Total Expenses (IV)		9,75,290	25,68,016
V Profit/(loss) before exceptional items and tax (I-IV)		(4,89,716)	(9,46,241)
VI Exceptional Items		-	-
VII Profit/ (loss) after exceptions items and tax (V-VI)		(4,89,716)	(9,46,241)
VIII Tax Expense:			
(1) Current Tax		-	-
(2) Deferred Tax		-	-
IX Profit/(Loss) for the period from continuing operations		(4,89,716)	(9,46,241)
X Profit/(Loss) from discontinued operations		-	-
XI Tax expenses of discontinued operations		-	-
XII Profit/(Loss) from discontinued operations (after tax) (X-XI)		-	-
XIII Profit/(Loss) for the period (IX+XII)		(4,89,716)	(9,46,241)
XIV Other Comprehensive Income		-	-
A. (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B. (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be re classifies to profit or loss		-	-
XV Total Comprehensive Income for the period (XIII+XIV)		(4,89,716)	(9,46,241)
XVI Earnings per equity (for Continuing operation):			
(1) Basic		-0.01	-0.03
(2) Diluted		-0.01	-0.03
XVII Earnings per equity (for discounted operation)			
(1) Basic		0.00	0.00
(2) Diluted		0.00	0.00
XVIII Earning per equity share (for discontinued & continuing operation)			
(1) Basic		-0.01	-0.03
(2) Diluted		-0.01	-0.03

See accompanying notes to Financial Statements

1

For MAMTA JAIN & ASSOCIATES
 Chartered Accountants
 Firm Reg. No.328746E

For Navketan Merchants Limited

Mamta Jain
 (Proprietor)
 Membership No.304549
 UDIN: 20304549AAAABN9161

Shovan Modak
 Director
 DIN: 07957812

Kamal Dani
 Managing Director
 DIN: 07960272

Goutam Chowdhury
 CFO

Arya Shaw
 Company Secretary
 M.No. A53188

Place : Kolkata
 Date : 29-06-2020

NAVKETAN MERCHANTS LIMITED

Statement of Changes in Equity for the year ended March 31, 2020

A. Equity Share Capital		Amount (Rs)
Balance as on April 1, 2018		36,06,21,000
Changes during the year		-
Balance as on March 31, 2019		36,06,21,000
Changes during the year		-
Balance as on March 31, 2020		36,06,21,000

B. Other Equity
as on 31.03.2020

Particulars	Reserve & Surplus		
	Capital Reserve	Retained Earnings	Total
	Amount (Rs)	Amount (Rs)	Amount (Rs)
Balance as on April 1, 2019	7,27,39,056	3,71,545	7,31,10,601
Total Comprehensive Income for the year	-	(4,89,716)	(4,89,716)
Adjustments for earlier year	-	(2,970)	(2,970)
Balance as on March 31, 2020	7,27,39,056	(1,21,141)	7,26,17,915

as on 31.03.2019

Particulars	Reserve & Surplus		
	Capital Reserve	Retained Earnings	Total
	Amount (Rs)	Amount (Rs)	Amount (Rs)
Balance as on April 1, 2018	7,27,39,056	13,14,427	7,40,53,483
Total Comprehensive Income for the year	-	(9,46,241)	(9,46,241)
Adjustments for earlier year	-	3,359	3,359
Balance as on March 31, 2019	7,27,39,056	3,71,545	7,31,10,601

as on 31.03.2018

Particulars	Reserve & Surplus		
	Capital Reserve	Retained Earnings	Total
	Amount (Rs)	Amount (Rs)	Amount (Rs)
Balance as on April 1, 2017	7,27,39,056	10,61,390	7,38,00,446
Total Comprehensive Income for the year	-	2,46,410	2,46,410
Adjustments for earlier year	-	6,627	6,627
Balance as on March 31, 2018	7,27,39,056	13,14,427	7,40,53,483

For MAMTA JAIN & ASSOCIATES

Chartered Accountants
Firm Reg. No.328746E

For Navketan Merchants Limited

Mamta Jain
(Proprietor)
Membership No.304549
UDIN: 20304549AAAABN9161

Shovan Modak
Director
DIN: 07957812

Kamal Dani
Managing Director
DIN: 07960272

Goutam Chowdhury
CFO

Arya Shaw
Company Secretary
M.No. A53188

Place : Kolkata
Date : 29-06-2020

Cash Flow Statement for the year ended 31st March, 2020

NAVKETAN MERCHANTS LIMITED				
CIN: L51909WB1994PLC062027				
12, Waterloo Street Kolkata - 700069				
Email Id: info@navketanmerchants.com				
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020				
Particulars	Year ended on 31.03.2020		Year ended on 31.03.2019	
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
A. Cash flow from Operating Activities				
Net Profit before Tax & Extraordinary Items		(4,89,716)		(9,46,241)
Adjustments for:				
Depreciation	3,411		4,418	
Preliminary Expenses written off	-	3,411	-	4,418
Operating Profit before Working Capital changes		(4,86,305)		(9,41,823)
Adjustments for:				
(Increase)/Decrease in Trade, Other Receivables & Other financial assets	11,89,814		22,35,720	
Increase/(Decrease) in Other current Liabilities	(47,724)	11,42,090	(1,02,041)	21,33,679
Cash Generated from Operations		6,55,785		11,91,856
Income Taxes Paid				1,02,703
Net Cash from/(used in) Operating Activities		6,55,785		10,89,153
B. Cash flow from Investing Activities				
Addition of Fixed Asset			-	
(Increase)/Decrease of Investments	(7,69,024)		1,50,000	
(Increase)/ Decrease in Loans & Advances		(7,69,024)	(36,190)	1,13,810
Net Cash from/(used in) Investing Activities		(7,69,024)		1,13,810
C. Cash flow from Financing Activities				
Issue of Share Capital	-		-	
Increase/(Decrease) in Reserve & Surplus	-		-	
Increase in Unsecured Loan	-		-	
Preliminary Expenses Incurred	-		-	
Net Cash from/(used in) Financing Activities				
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)		(1,13,239)		12,02,963
Cash & Cash Equivalents at the beginning of the period		13,15,326		1,12,363
Cash & Cash Equivalents at the end of the period		12,02,087		13,15,326
Note:				
i) The above Cash Flow has been prepared under "Indirect Method" as set out in Accounting Standard-3 on Cash Flow Statement issued by Institute of Chartered Accountants of India.				
ii) This is the cash flow referred to, in our report of even date.				
For MAMTA JAIN & ASSOCIATES	For Navketan Merchants Limited			
Chartered Accountants				
Firm Reg. No.328746E				
Mamta Jain	Shovan Modak		Kamal Dani	
(Proprietor)	Director		Managing Director	
Membership No.304549	DIN: 07957812		DIN: 07960272	
UDIN: 20304549AAAABN9161				
	Goutam Chowdhury		Arya Shaw	
	CFO		Company Secretary	
Place : Kolkata				
Date : 29-06-2020				

NOTES TO BALANCE SHEET AS AT 31ST MARCH, 2020

**Note 2 : Property, Plant & Equipment
As at March 31,2020**

Particulars	Air conditioner	Computer & Accessories	Furniture & Fixtures
Gross Block			
As at April 1,2019	28,450	95,800	38,900
Additions	-	-	-
Disposals	-	-	-
Other Adjustments	-	-	-
As at March 31,2020	28,450	95,800	38,900
Accumulated Depreciation			
As at April 1,2019	20551	91,010	31,253
Charge for the period	1,430	-	1,981
Disposal	-	-	-
Other Adjustments	-	-	-
As at March 31,2020	21,981	91,010	33,234
Net Carrying amount			
As at March 31,2020	6,496	4,790	5,667

As at March 31,2019

Particulars	Air conditioner	Computer & Accessories	Furniture & Fixtures
Gross Block			
As at April 1,2018	28,450	95,800	38,900
Additions	-	-	-
Disposals	-	-	-
Other Adjustments	-	-	-
As at March 31,2019	28,450	95,800	38,900
Accumulated Depreciation			
As at April 1,2018	18,807	91,010	28,579
Charge for the period	1,744	-	2,674
Disposal	-	-	-
Other Adjustments	-	-	-
As at March 31,2019	20,551	91,010	31,253
Net Carrying amount			
As at March 31,2019	7,899	4,790	7,648

Note 3 : Non Current Investments						
Particulars	As on 31.03.2020			As on 31.03.2019		
	No of Shares	Rate	Value	No of Shares	Rate	Value
Investments in Equity Instruments						
Investment measured at Cost/Deemed Cost						
Unquoted						
Other Investments						
(i) Aka Finvest Private Limited	35700	100.00	35,70,000	35700	100.00	35,70,000
(ii) Dropsy Goods & Services Private Limited	13450	100.00	13,45,000	13450	100.00	13,45,000
(iii) Excel Tieup Private Limited	69815	10.00	6,98,150	69815	10.00	6,98,150
(iv) Fair Plan Sales Private Limited	32225	10.00	3,22,250	32225	10.00	3,22,250
(v) Katyayni Suppliers Private Limited	5087	100.00	5,08,700	5087	100.00	5,08,700
(vi) Nikki Merchants Private Limited	16000	100.00	16,00,000	16000	100.00	16,00,000
(vii) Optimum Infraprojects Limited	7000	10.00	70,000	7000	10.00	70,000
(viii) Richfield Financial Services Limited	159150	12.44	19,79,826	159150	12.44	19,79,826
(ix) Suprita Tradelink Private Limited	3358	243.90	8,19,024	4100	243.90	10,00,000
(x) Visa Sales Private Limited	21000	10.00	2,10,000	21000	10.00	2,10,000
(xi) Vatican Commercials Limited	950000	1.00	9,50,000	-	-	-
Total			1,20,72,950			1,13,03,926

Note 4 : Deferred Tax Assets

Particulars	As on March 31, 2020	As on March 31, 2019
	Amount (Rs)	Amount (Rs)
Opening Balance of Deferred Tax	3,470	4,540
Charged during the year	(2,970)	(1070)
Closing Balance of Deferred Tax	500	3,470
Total	500	3,470

Note 5 : Inventories

Particulars	As on March 31, 2020	As on March 31, 2019
	Amount (Rs)	Amount (Rs)
Stock in Trade	2,50,686	2,50,686
Total	2,50,686	2,50,686

Note 6 : Trade Receivables

Particulars	As on March 31, 2020	As on March 31, 2019
	Amount (Rs)	Amount (Rs)
Unsecured, Considered Good		
Outstanding more than 6 months	18,18,00,322	18,28,98,028
Others	-	207,900
Total	18,18,00,322	18,31,05,928

Note 7 : Cash & Cash Equivalents

Particulars	As on March 31, 2020	As on March 31, 2019
	Amount (Rs)	Amount (Rs)
Balances with Bank		
In current accounts	44,049	79,242
Cash In Hand	1,158,038	1,236,084
Total	1,202,087	1,315,326

Note 8 : Loans & Advances

Particulars	As on March 31, 2020	As on March 31, 2019
	Amount (Rs)	Amount (Rs)
Advances Given to Others	23,000,000	23,000,000
Total	23,000,000	23,000,000

Note 9 : Other Current Assets

Particulars	As on March 31, 2020	As on March 31, 2019
	Amount (Rs)	Amount (Rs)
Other Recievable	21,46,81,282	214,681,282
Tax Deducted at Source	1,16,700	87,545
GST Input	1,10,458	23,821
Total	21,49,08,440	21,47,92,648

Note 10 : Equity Share Capital

Particulars	As on March 31, 2020	As on March 31, 2019
	Amount (Rs)	Amount (Rs)
Authorised Capital Equity Share of Rs 10/- each	370,000,000	370,000,000
Issued , Subscribed & fully paid up capital Equity Share of Rs 10/- each	360,621,000	360,621,000
Total	360,621,000	360,621,000

Reconciliation of the number of equity shares outstanding

Particulars	As on March 31, 2020	As on March 31, 2019
Number of shares at the beginning	36,062,100	36,062,100
Add: Addition during the year	-	-
Number of shares at the end	36,062,100	36,062,100

Note 11 : Other Equity

Particulars	As on March 31, 2020	As on March 31, 2019
	Amount (Rs)	Amount (Rs)
Capital Reserve	72739056	72739056
Surplus:		
Opening Balance	371545	1314427
(+) Net Profit/Loss for the current year	(489,716)	(9,46,241)
(+) Earlier year adjustments	(2970)	3359
Total	72,617,915	73110601

(Refer Statement of Changes in Equity for the movement in the reserve and surplus during the year)

Note 12 : Other Current Liabilities

Particulars	As on March 31, 2020	As on March 31, 2019
	Amount (Rs)	Amount (Rs)
Audit Fees Payable	-	15000
GST Payable	-	-
Other Payables	12,996	45720
Total	12,996	60,720

Note 13 : Current Tax Liabilities

Particulars	As on March 31, 2020	As on March 31, 2019
	Amount (Rs)	Amount (Rs)
Provision of Taxation	-	-
Total	-	-

Note 14 : Revenue from Operation

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount (Rs)	Amount (Rs)
Sale of Sarees	-	1,471,439
Total	-	1,471,439

Note 15 : Other Income

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount (Rs)	Amount (Rs)
Profit on sale on investment	194024	-
Interest Income	291550	150,336
Total	485,574	150,336

Note 16: Purchase of stock in trade

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount (Rs)	Amount (Rs)
Purchase of Sarees	-	52,500
Less: Purchase Return	-	-
Total	-	52,500

Note 17 : Employee Benefit Expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount (Rs)	Amount (Rs)
Salaries inc Managerial Remuneration	126,945	284,581
Remuneration to CS	256,709	326,468
Remuneration to CFO	-	-
Total	383,654	611,049

Note 18 : Other Expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	Amount (Rs)	Amount (Rs)
Payment to auditor as:		
Auditor	-	25,000
Other Expenses:		
Accounting Charges	-	-
Advertisement Expenses	-	-
Bank Charges	629	2,947
Compliance fees	-	10,000
Conveyance	-	900
Coolie & Cartage	-	69
AGM Expenses	10,000	-
Demat Charges	450	738
Electricity Charges	-	-
Filing Fees	7,200	5,400
General Expenses	-	3,000
Godown Rent	-	-
Listing expenses	4,01,800	4,48,200
Repair & Maintenance	-	-
Office rent	-	54,000
Professional Charges	5,000	40,000
Professional Tax Paid	5,000	2,500
Printing & Stationary	20,951	26,309
Postage & Telegraph	-	12,105
Registrar Fees	87,400	40,000
Telephone & Mobile Expenses	-	-
Travelling Expenses	-	-
Ware house Charges	-	-
Website development expenses	4,200	6,500
Bad Debt	43,000	-
Courier Charges	2,595	-
Total	5,88,225	6,77,668

Note-1: Significant Notes to Financial Statements**1. Corporate Information**

Navketan Merchants Limited ("the company") is a public company in India having its registered office in Kolkata in the state of West Bengal. The Company is a Retail trading company carrying out retail trading activities. The Company's shares are listed on Calcutta Stock Exchange Limited as well as Bombay Stock Exchange.

2. Statement of Compliances

The financial statements comply in all material aspects with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as under the companies (Indian Accounting Standards) Rules, 2015 read with companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

3. Significant Accounting Policies:

- **Basis of Preparation**

The Financial Statements have been prepared under the historical cost convention on accrual basis. Historical Cost Convention is generally based on fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All assets and liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS 1 "Presentation of Financial Statements" and Schedule III to the Companies Act, 2013.

The Standalone financial statements are presented in Indian Rupees.

- **Property Plant and Equipment (PPE)**

Property, Plant and Equipment are stated at cost of acquisition, construction and subsequent improvements thereto. For this purpose cost include deemed cost on the date of transition and comprises purchase price of assets or its construction cost including duties and taxes, inward freight and other expenses incidental to acquisition or installation and adjustment for exchange differences wherever applicable and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended for its use. For major projects, interest and other costs incurred on / related to borrowings to finance such projects or fixed assets during construction period and related pre-operative expenses are capitalized.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the income statement when incurred.

- **Depreciation and Amortization**

Depreciation on PPE is provided as per Schedule II of the Companies Act, 2013 on WDV Basis.

- **Financial Assets and Liabilities**

Financial Assets and Financial Liabilities are initially measured at fair value. Transaction Costs those are directly attributable to the acquisition or issue of financial assets or liabilities are added or deducted from the fair value of the financial assets or liabilities at fair value through profit or loss are recognized immediately in statement of profit and loss.

The financial assets are classified as current if they are expected to be realized or settled within operating cycle of the company or otherwise these are classified as non- current.

➤ **Cash and Cash Equivalents**

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

➤ **Financial Assets and Financial Liabilities measured at amortized cost**

Financial Assets held in the business whose objective is to hold the assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solemnly payments of principal and interest on the principal amount outstanding are measured at amortized cost.

● **Equity Share Capital**

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received (if any) in excess of par value is classified as Securities Premium. Costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

● **Revenue Recognition**

The Revenue Recognition of income and expenditure are accounted on the basis of accrual and historic cost convention.

● **Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Contingent liabilities are not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made. Contingent assets are not recognised but disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

● **Taxes on Income**

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets include Minimum Alternative Tax (MAT) measured in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability and such benefit can be measured reliably and it is probable that the future economic benefit associated with same will be realized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

- **Earnings Per Share**

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

- **Other Disclosures**

- a) Earnings per Share (EPS)

Calculation of Weighted Average Number of Equity Shares of Rs. 10 each

Number of Shares outstanding at the beginning of the year	36062100
Number of shares outstanding at the end of the year	36062100
Weighted average number of Equity Shares outstanding	36062100
Profit/ (Loss) for the year after tax (Rs.)	(489,716)
Profit/ (Loss) available to equity shareholders	(489,716)
Basic/Diluted earnings per share (Rs.)	(0.01)
Nominal Value of Equity Shares (Rs.)	10.00

Earnings in Foreign Exchange	NIL
Expenditure in Foreign Exchange	NIL

b) Expenditure on Employees who were in respect of remuneration aggregating Rs 6000000/- or more per annum when employed for full year or Rs 500000/- or more per month if employed for part of the year : NIL

b) The Previous year figures have been regrouped / reclassified, wherever necessary to confirm the current year presentation.

4. Disclosures of COVID-19

The Outbreak of Corona Virus (Covid-19) is causing significant disturbance and slowdown of economic in India and across the globe. Measures taken by the Government to contain the virus, like lock-downs, travel bans and other measures, have affected economic activity and caused disruption to regular business operations. The Company has evaluated the impact of this pandemic on its business operations. Based on its review and current indicators of economic conditions, there is no significant impact on financials of this year. The company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

For Mamta Jain & Associates

Chartered Accountants

Firm Reg. No.: 328746E

Mamta Jain

(Proprietor)

Membership No.304549

UDIN: 20304549AAAABN9161

Place: Kolkata

Date: 29th June, 2020

For Navketan Merchants Limited

Shovan Modak

(Director)

DIN: 07957812

Kamal Dani

(Managing Director)

DIN: 07960272

Goutam Chowdhury

CFO

Arya Shaw

(Company Secretary)

M.No. A53188

NAVKETAN MERCHANTS LIMITED

Regd. Off.: 12, Waterloo Street, Kolkata 700 069, (West Bengal)

Phone: (91-033) 22485923, Fax: (91-033) 22484665

E-mail: info@navketanmerchants.com, CIN: L51909WB1994PLC062027

27th Annual General Meeting, Thursday, 19th November, 2020

Form No. MGT-11 PROXY FORM	
[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rule, 2014]	
CIN	: L51909WB1994PLC062027
Name of the Company	: Navketan Merchants Limited
Registered office	: 12, Waterloo Street, Kolkata 700 069
Name of the member(s)	
Registered Address	
Email ID	
Folio No./ Client ID	
DP ID	
I / We, being the member(s) of Shares of the above named company, hereby appoint:	
(1) Name	Address
E-mail ID	Signature..... or failing him;
(2) Name	Address
E-mail ID	Signature..... or failing him;
(3) Name	Address
E-mail ID	Signature..... or failing him;

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 27th Annual General Meeting of the company, to be held on Thursday, 19th November, 2020 at 11:00 a.m. at 12, Waterloo Street, Kolkata 700 069 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	RESOLUTIONS	Optional*	
		For	Against
1	Ordinary Resolution to consider and adopt Audited Financial Statement, Reports of the Board of Directors relating thereto and that of the Auditors thereon.		
2	Ordinary Resolution for appointment of Director in place of Mr Kamal Dani (DIN 07960272) who retires by rotation and being eligible offers himself for re-appointment.		
3	Ordinary Resolution for the appointment of M/s Mamta Jain & Associates, Chartered Accountants, having Registration No. 328746E, for a period of five consecutive years from the year ending 31st March, 2019 to 31st March, 2023.		

Signed this day of 2020

Signature of shareholder :

Signature of Proxy holder(s) :

Note :- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

(2) For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 27th Annual General Meeting.

* (3) It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

(4) Please complete all details including details of member(s) in above box before submission.

NAVKETAN MERCHANTS LIMITED

Regd. Off.: 12, Waterloo Street, Kolkata 700 069, (West Bengal)
Phone: (91-033) 22485923, Fax: (91-033) 22484665
E-mail: info@navketanmerchants.com, CIN: L51909WB1994PLC062027

ATTENDANCE SLIP

Regd. Folio / DP ID & Client ID	
Name and Address of the Shareholder	

1. I hereby record my presence at the 27th Annual General Meeting of the Company being held on 19th November, 2020 at 11.00 a.m. at 12, Waterloo Street, Kolkata 700 069.

2. Signature of the Shareholder/Proxy Present

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3. Shareholder / Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover the same at the entrance duly signed.
4. Shareholder / Proxy holder desiring to attend the meeting may bring his / her copy of the Annual Report for reference at the meeting.

Note: - PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING.

ELECTRONIC VOTING PARTICULARS

(1) EVSN (E-Voting Sequence No.)	(2) USER ID.	(3) PAN or Relevant No.as under	(4) Bank Account No.
			(See Note No.1)

Notes:

- (1) Where Bank Account Number is not registered with the Depositories or Company please enter your User Id. as mentioned in column (2) above.
- (2) Please read the Instructions printed under the Note No. 5 to the Notice dated 27th October, 2020 of the 27th Annual General Meeting. The E-Voting period starts from 9.00 A.M. on Monday, 16th November, 2020 and ends at 5.00 P.M. on Wednesday, 18th November, 2020. The E-voting module shall be disabled by CDSL for voting thereafter.



NAVKETAN MERCHANTS LIMITED

**Regd. Office: 12, Waterloo Street
Kolkata 700069**

www.navketanmerchants.com

E-mail: info@navketanmerchants.com