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BNK CAPITAL MARKETS LTD.

TWENTYSEVENTH ANNUAL REPORT

2012-2013



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BOARD OF DIRECTORS

Dr. N. K. Sengupta, *Chairman*

Mr. R. S. Khandelwal, *Vice-Chairman*

Mr. P. Brahmachari

Mr. P. Chakravarti

Mr. S. Khandelwal

Mr. Ajit Khandelwal, *Managing Director*

AGM on 31st August 2013
MAYFAIR TOWERS, Ground floor,
2, Palm Avenue,
Kolkata – 700 019 at 11.30 a.m.

AUDITORS

M/s R. Bhattacharya & Associates

Chartered Accountants

7B, Panchanantala Road

Kolkata-700 029

BANKERS

HDFC Bank Ltd.

Standard Chartered Bank

REGISTERED OFFICE

Mayfair Towers

2, Palm Avenue

Kolkata - 700 019, India

REGISTRAR & SHARE TRANSFER AGENTS

CB Management Services (P) Limited

P-22, Bondel Road, Kolkata-700 019

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NOTICE

Notice is hereby given that the 27th Annual General Meeting of the Company will be held on Saturday, the 31st August 2013 at Mayfair Towers, Ground floor, 2, Palm Avenue, Kolkata - 700 019 at 11.30 A.M to transact the following business:

As Ordinary Business

1. To receive, consider and adopt the Statement of Profit & Loss for the year ended 31st March, 2013, along with the Balance Sheet as at that date together with the report of the Directors and Auditors thereon.
2. To approve payment of dividend.
3. To elect the Directors in place of those retiring by rotation.
4. To appoint Auditors and to fix their remuneration.

As Special Business

5. To consider and if thought fit pass the following resolution with or without modification as an ordinary resolution:
"Resolved that pursuant to the applicable provisions of the Company's Act 1956 and schedules thereto (including any statutory modifications or re-enactment thereof) for the time being in force, consent be and is hereby accorded for re-appointment of Mr. Ajit Khandelwal as Managing Director of the Company with effect from 1.4.2013 for a period of 3 years on the terms and conditions including remuneration mentioned in the annexed here to in the explanatory statement"

Registered Office :

Mayfair Tower
2, Palm Avenue
Kolkata - 700 019, India.
Dated : 28th May 2013

By order of the Board

Ajit Khandelwal
Managing Director

Notes :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself, and the proxy need not be a member of the Company. The instrument appointing proxy should be deposited at the Registered Office of the company not less than 48 hours before the time fixed for the meeting.
2. The Register of members and Share Transfer Books of the Company will remain closed from 24th August 2013 to 31st August 2013 (both days inclusive).
3. Members are requested to:
 - a) Notify immediately any change in their address to the Company.
 - b) Bring their copy of the Annual Report to the Meeting.
 - c) Members desiring any information on the business to be transacted at the meeting are requested to write to the Company at least 10 days in advance to enable the Management to keep the information, as far as possible, ready at the meeting.
4. A copy of the Memorandum and Articles of Association and other relevant documents are available for inspection at the Registered Office of the Company on any working day from between 11.00a.m. to 1.00 p.m.
5. The Equity Shares of the Company are now traded on the Stock Exchange only in dematerialized form. It is in the interest of the Shareholders to get their physical share certificates demated.
6. Dividend, if approved in the Annual General Meeting shall be paid to the shareholders as on the date of the book closure for the purpose, within the stipulated time.

Explanatory statement pursuant to Section 173(2) of the Companies Act 1956.

For item No.5

The term of appointment of Mr Ajit Khandelwal expired on 31.3.2013. The Board of Directors on the recommendation of the remuneration committee of the Board have reappointed him as the Managing Director of the Company for a further period of 3 years on the terms and conditions mentioned below. The appointment is subject to approval of the share holders.

Salary :	Basic	In the range of ` 100000/-, ` 125000/-, ` 150000/-
	Bonus	One month salary
	Leave	One month leave for 11 months of service or pay in lieu thereof entitlement

● Perquisite :

● Accommodation :	The Company shall provide furnished accommodation. Alternatively Mr. Khandelwal will be entitled for house rent allowance, which shall not exceed ` 30000/- Per Month. He shall also be entitled for reimbursement of expenses for electricity, Maintenance, and repairs, furnishing etc. on actual basis.
● LTC :	For self and family once during the year to any place In India or abroad.
● Medical Reimbursement :	Restricted to one Month, salary in a year or three month salary in a block of three years for self and family.
● Club Fees	Not More than two clubs including admission fee.
● Personal accident insurance:	Premium not exceeding ` 15000/- Per annum.
● Car and Telephone:	Company shall provide a car with driver for his use and Telephone facilities at his Residence. However personal long distance calls shall be recovered. Use of Car for personal use shall be recovered as per the Income Tax Rules.
Others	Mr Khandelwal will be reimbursed all the expenses incurred for business of the Company. However he shall not be entitled for the sitting fee for attending the meetings of the Board or committee thereof.

The resolution is proposed in the forthcoming Annual General Meeting for your consideration. Apart from Mr Khandelwal, Mr. R S Khandelwal and Mr Sanjeev Khandelwal, being relatives, may be deemed interested in the resolution.

DIRECTORS' REPORT TO THE MEMBERS

Your Directors present before you the 27th Annual Report together with Audited Accounts for the year ending 31st March, 2013.

Operation and Future Prospects

Prolonged economic crisis, particularly in the Euro zone, crude price hike, high import of crude & Gold, weakening of Rupee, high current account deficit had lead to a further fall in the GDP growth rate of the countries from 6.2% to 5% in 2013. This along with high inflation, high interest rate has resulted in the slowdown of the economy. This has resulted in the averseness to Industrial growth. Further the inability of the Govt. to pursue reforms and implement its policies because of its political compulsions, scams and issues of corruptions, inactiveness of Govt. machineries have brought the business confidence levels to its lowest. We have biggest ever current account deficit. With the indications of good monsoon and the cooling down of the crude and commodity prices, lowering of inflation & interest rates, if coupled with a strong Govt action on policy implementation may take few of quarters to again start moving on the growth trajectory. Both the capital markets and the interest rate markets are expected to remain volatile in near future.

Financial Results

The financial performance of the Company, for the year ended 31st March 2013 is summarized below:

	Year Ended 31st March 2013 (` In Lacs)	Year Ended 31st March 2012 (` In Lacs)
Profit before Depreciation and Amortisation		
Expenses, Finance Costs and Tax Expenses	368.37	354.81
Less: Finance Costs	57.49	28.18
Depreciation and Amortisation Expences	8.25	9.14
Profit before Tax	302.63	317.49
Less: Current Tax	35.84	34.05
Deferred Tax	(0.48)	(0.48)
Profit for the year	267.27	283.92
Add: Balance in Profit & Loss Account	654.05	569.89
	921.33	853.81
Less: Appropriation		
Transferred to Statutory Reserve	53.45	56.78
Transferred to General Reserve	50.00	50.00
Proposed Dividend on Equity Shares	50.00	80.00
Tax on Dividend	8.11	12.98
Closing Balance	759.77	654.05

Your Directors recommend payment of a modest Dividend of Rs. 0.50 per equity share of Rs. 10/- each for the year ended 31st March 2013.

Subsidiary Company & Investments

BNK Commodities Pvt Ltd., a subsidiary of your company is a member of MCX, NCDEX and NSEL Commodity Exchanges. Your Company along with its subsidiaries and its Associate Companies is offering complete financial solutions including trading in securities, commodities and their derivatives, currency derivatives, Depository services & Category I Merchant Bankers.

Fixed Deposits

The Company has not raised any Fixed Deposits during the year.

Directors

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company Mr. Prabir Chakroborty and Mr. Ajit Khandelwal, Directors of the Company retire by rotation at the conclusion of the forthcoming Annual General Meeting, and being eligible offer themselves for reappointment.

The term of appointment of Mr. Ajit Khandelwal as Managing Director of the Company expired on 31.03.2013. The Board of Directors re-appointing Mr. Ajit Khandelwal as Managing Director of the company for a period of 3years with effect from 1.04.2013. Necessary resolution for his re-appointment is being proposed in the forth coming Annual General Meeting for your approval.

Auditors

M/s. R. Bhattacharya & Associates, Chartered Accountants, Auditors of the Company, retire at the conclusion of the forthcoming Annual General Meeting, and being eligible, offer themselves for Appointment.

Corporate Governance

Your Directors re-affirm their commitment to the Corporate Governance standards prescribed by Securities and Exchange Board of India (SEBI) codified as clause 49 of the Listing Agreement with Stock Exchanges. Corporate Governance and Management Discussion and Analysis Report as well as Corporate Governance compliance certificate by Auditor are set out in separate Annexure to this report.

Directors' Responsibility Statement:

Pursuant to Section 217 (2AA) of the Companies Act, 1956 your Directors confirm:

- i) That in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure;
- ii) That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year;
- iii) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) That they have prepared the Annual Accounts on a 'going concern' basis.

Statutory Information

The provision relating to conservation of energy and technology absorption does not apply to the Company. The Company has no foreign exchange earning during the year under report. The Company has incurred expenses in foreign exchange to a tune of US\$ 2000 during the year. There is no employee of the Company as covered under Section 217(2A) of the Companies Act, 1956, for which a separate disclosure is required.

Acknowledgement

Your Directors take this opportunity to express their grateful appreciation for the co-operation and guidance received from the Regulators, Central & State Govts., Bankers as well as the Shareholders during the year. Your Directors also wish to place on record their appreciation for the devoted and dedicated service rendered by all the employees of the Company.

For and on behalf of the Board

Place : Kolkata

Dr. N.K.Sengupta

Dated : 28th May 2013

Chairman

REPORT ON CORPORATE GOVERNANCE

The Company has put in place the SEBI guidelines pertaining to Corporate Governance effective from Financial year 2002-2003. The report on Corporate Governance for the year 2012-13 is as under:

Corporate Governance - Philosophy

The basic objective of the Corporate Governance policies adopted by your Company is to focus on good Corporate Governance -which is the pivotal driver of sustainable corporate growth and long term value creation for the shareholders, other stakeholders and society at large.

1. Board of Directors

As on 31st March 2013 Board of the Company comprised of six directors of which five are Non-executive including the non-executive Chairman. Fifty percent of the directors are Independent Directors. The Independent Directors have no professional and / or business relationship with the Company. They are eminent professionals, drawn from amongst persons with experience in business, finance, law and corporate management. The composition of the board during the year is tabulated below:

Director	Executive/Non-Executive/ Independent	Other Directorships held
Dr.N.K.Sengupta	Chairman, Non-Executive & Independent	04
Mr.R.S.Khandelwal	Vice-Chairman & Non-Executive	08
Mr.P.Chakravarti	Non-Executive & Independent	10
Mr.P.Brahmachari	Non-Executive & Independent	01
Mr.S.Khandelwal	Non-Executive	08
Mr.A.Khandelwal	Managing Director	12

2. Audit Committee

The Company has an Audit Committee at the Board level functioning since May 30, 2002. The Committee, inter alia, provides reassurance to the Board on the existence of an effective internal control system. It also oversees financial disclosures compliance with all relevant statutes, safeguarding of assets and adequacy of provisions for all liabilities and generally accepted accounting principles by the Company.

The Committee carries out the role as laid down in sub paragraph D of paragraph II of Clause-49 of the Listing Agreement with Stock Exchanges.

The Audit Committee comprised of three members, all members including the Chairman of the Committee are non-executive. The Statutory Auditor and Managing Director of the Company are permanent invitees to all Audit Committee meetings. Mr. R.N.Mishra is the Secretary to the Audit Committee.

The Composition of the Audit Committee and the details of meeting held by it are as follows:

Director	Position	Meeting held	Meeting Attended
Mr.P.Chakravarti	Chairman	04	04
Mr.R.S.Khandelwal	Member	04	04
Mr.P.Brahmachari	Member	04	03

3.Remuneration Committee

The Board of Directors of the Company at their meeting held on 30.5.2002 constituted a Remuneration Committee of Directors mainly for the purposes of recommending the Company's policy on Remuneration Package for Managing/ Executive Directors, reviewing the structure, design and implementation of remuneration policy in respect of key management personnel and approving, reviewing and evaluating Employees' Stock Option Plan.

The composition of the Remuneration Committee and the details of meeting held by it are as follow:

Director	Position	Meeting held	Meeting Attended
Mr. R. S. Khandelwal	Chairman	1	1
Mr. N. K. Sengupta	Member	1	1
Mr. P. Brahmachari	Member	1	1

Mr. R. N. Mishra is the Secretary to the Remuneration Committee.

4. Remuneration to Directors

Director	Designation	Remuneration paid during 2013 (All figures in `)		
		Sitting fees	Salary & Perks	Total
Dr.N.K.Sengupta	Chairman	17000	--	17000
Mr.R.S.Khandelwal	Vice-Chairman	25000	--	25000
Mr.P.Chakravarti	Director	23000	--	23000
Mr.P.Brahmachari	Director	22500	--	22500
Mr.S.Khandelwal	Director	21000	--	21000
Mr.A.Khandelwal	Managing Director	--	1424090	1424090

5. Shareholders/Investors Grievance & Transfer Committee

The Company has "SHAREHOLDERS / INVESTERS GRIEVANCE & TRANSFER COMMITTEE" under the Chairmanship of a Non- Executive and Independent Director to specifically look into shareholders issue including share transfer, transmission, issue of duplicate certificates and redressing of shareholders complaints like non receipt of balance sheet, declared dividend etc.

Details of the composition of Shareholders/Investors Grievance & Transfer Committee are as follows:

Director	Position	Meeting held	Meeting Attended
Mr.P.Brahmachari	Chairman	06	05
Mr.S.Khandelwal	Member	06	06
Mr.A.Khandelwal	Member	06	06

M/S.CB Management Services (P) Ltd., the Company's Registrar and Share Transfer Agent among others, expedites the process of transfer of shares under supervision of compliance officer. Thereafter, the proposals are placed before the Shareholders / Investors Grievances & Transfer Committee for approval. To expedite the process of transfer sometimes the members of the committee approve cases of routine nature of transfers of shares by circulation, which are subsequently ratified.

Mr. R. N. Mishra, the Compliance Officer of the Company and is also the Secretary to the committee.

Details of complaints received, number of shares transferred as well as average time taken for transfers are highlighted in the "Shareholder Information" section of the Annual Report separately.

6. Number of Board Meetings and Board Procedures.

Your Company's Board met 5 (Five) times during the year and details of the meeting are high lighted below. Agenda papers along with explanatory statements were circulated to the Directors well in advance of the meeting. The senior management of your Company was invited to participate in matters of interest, importance and relevance. The Board has access to any information within your Company and every effort is made to ensure that the information is adequate and appropriate to enable the Board to take considered decisions on issues.

Your Company has placed all relevant information before the Board as per Annexure I of Clause 49 of the Listing Agreement.

Date of Board Meeting	Place
1 28th May2012	Kolkata
2 28th July 2012	Kolkata
3 25th Aug 2012	Kolkata
4 30th October 2012	Kolkata
5 31st January 2013	Kolkata

Directors	No. of Meetings		
	Held	Attended	Attended Last AGM
Dr. N.K. Sengupta	05	05	Yes
Mr. R.S. Khandelwal	05	05	Yes
Mr. P. Chakravarti	05	05	Yes
Mr. P. Brahmachari	05	04	Yes
Mr. S. Khandelwal	05	05	Yes
Mr. A. Khandelwal	05	05	Yes

7. Management Discussions and Analysis Report

As a part of the disclosure related to Management, in addition to the Directors' Report, Management Discussion and Analysis Report forms part of the Annual Report to the shareholders as per specification of SEBI.

8. Director's Membership/Chairmanship in Committees

No Director is a member of more than 10 committees or Chairman of more than 5 committees across all companies in which he is a Director. The details are as under :

Director	No. of Committees in which	
	Member	Chairman
Dr.N.K.Sengupta	--	03
Mr.R.S.Khandelwal	02	01
Mr.P.Chakravarti	08	--
Mr.P.Brahmachari	01	--
Mr.S.Khandelwal	01	--
Mr.A.Khandelwal	04	--

(The above includes committee positions in BNK Capital Markets Limited)

9. Disclosure regarding Director's Appointment and Re-Appointment

A brief resume, expertise in specific functional areas, directorships / membership of committees held in other companies in respect of Directors retiring by rotation / being appointed at the ensuing Annual General Meeting is as under:

Name of Director	Mr. Prabir Chkravarti	Mr. Ajit Khandelwal
Date of Birth	13th April 1934	10th November 1957
Date of appointment	28th August 1993	17th April 1986
Experience in specific functional areas	Businessman	Businessman
List of outside Directorships held Excluding Alternate Directorship and Private Companies	1. Baghmari Tea Company Ltd 2. NICCO Financial Services Ltd. 3. Reliance Jute Meals (International) Ltd 4. Vidula Consultancy Services Ltd. 5. NICCO Corporation Ltd 6. Jayshree Chemicals Ltd. 7. Sri Girija Prasanna Cotton Mills Ltd 8. Mangalam Timber Products Ltd.	1. Bharat Fritz Werner Limited 2. Ellenbarrie Industrial Gases Ltd 3. Kothari Phytochemicals & Industries Limited 4. Nucent Estate Limited 5. Patrex Vyapar Ltd.

10. Material Contracts/Transactions Concerning Director's Interest

The Company had not entered into any arrangement with any body other than with BNK Securities Private Limited and BNK Commodities Pvt. Ltd. for dealing in shares, securities, Currency their derivatives and commodities where the Promoter Directors are interested. The Company has entered into an understanding with In Media Computer Services LLP (a firm Co-owned by the Promoters) to bid and participated in UID projects. The disclosure to this effect was made at the relevant meeting of the Board of Directors. There was no arrangement of material nature other than stated above that may have a potential conflict with interest of your Company. Your company is also a promoter of the said BNK Securities Pvt. Ltd. & BNK Commodities Pvt. Ltd.

11. Code For Prevention Of Insider Trading

In accordance with the Securities & Exchange Board of India (Prohibition of inside Trading) Regulation, 1992, as amended in February 2002, the Board of Director of the Company has formulated the code of conduct for prevention of inside trading in shares of Company by its employees.

12. Other Disclosures

i. Details Of Annual General Meeting

A. Location and time of last 3 (three) AGMs

Year	Location	Date	Time
2009-2010	Mayfair Tower, Ground floor, 2, Palm Avenue Kolkata – 700 019.	27th July, 2010	11.30 AM
2010-2011	Mayfair Tower Ground floor, 2, Palm Avenue, Kolkata - 700 019.	30th July, 2011	11.30 A.M
2011-2012	Mayfair Tower, Ground floor, 2, Palm Avenue Kolkata – 700 019.	25th Aug. 2012	12.00 Noon

B. Whether special resolution were put through postal ballot last year? NO

C. Are votes proposed to be conducted through postal ballot this year? NO

ii. Means of Communication

Half year report / highlights sent to Household of each shareholders
 Quarterly results, published in
 Corporate website
 Any Official new release published in newspapers
 Whether MD&A is a part of Annual Report
 Whether shareholder information section forms part of Annual Report

No
 Published in specified newspapers Business Standard(English) Duronto Bharta (Bengali) www.bnkcapital.com
 N.A

Yes
 Yes

iii. Shareholders Information

1. Annual General Meeting

* Date and Time : 31st August 2013 at 11.30 A.M
 * Venue : Mayfair Tower, Ground Floor, 2, Palm Avenue Kolkata - 700 019

2. Financial Calender

For the Financial Year ended 31st March 2013.

Financial Results for Quarter ended June 30, 2012. 28th July, 2012

Financial Results for Quarter ended September 30, 2012. 30th October, 2012

Financial Results for Quarter ended December 31, 2012. 31st January ,2013

Audited Financial Results for Year ended March 31, 2013. 28th May 2013

3. Date of Book Closure

24th August 2013 to 31st August 2013 (Both days inclusive)

4. Dividend Payment Date

Dividend @ ` 0.50 per Equity Share of ` 10 each if approved at the forth Company AGM shall be Paid/credited to the bank a/c of the share holders as on the date of book closure of the Company within the stipulated time.

5. Registered Office

Mayfair Tower, 2 Palm Avenue, Kolkata: 700 019
 Tel : (033) 2281-0560 / 61, Fax : (033) 3058-0562

6. Listing Details (Equity Share)

The Stock Exchange, Mumbai
 Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai 400 023.
The Calcutta Stock Exchange Association Ltd.
 7, Lyons Range, Kolkata-700 001.

The Company has paid the Listing Fees for the year 2012-13 to both the Stock Exchanges.

7. Registrar & Transfer Agent

C B Management Services (P) Ltd, P-22, Bondel Road, Kolkata: 700 019
 Tel No.: (033) 2280-6692 / 6693, Fax No.: (033) 2247-0263
 E-mail: cbmsl 1 @cal2.vsnl.net.in, rta@cbmsl.com

8. Share Transfer System

A Committee of Directors (Shareholders / Investors Grievance & Transfer Committee) has been constituted to approve the transfer and transmission of shares, issue of duplicate share certificates and allied matters. To ensure transfer of shares in physical form within 15 days of receipt, a sub-committee has been constituted comprising of 3 Directors and Independent Director as its Chairman. In case of routine matters a process of circular resolutions adopted. Share Certificates in physical form are dispatched within prescribed time after complying with the requirement of SEBI guidelines on transfer cum dematerialization of shares.

9. Investor Services

Complaints received during the year

Nature of Complaints	2012-2013		2011-2012	
	Received	Cleared	Received	Cleared
Relating to Transfer, Transmission etc., Dividend, Interest, Redemption etc., Change of Address, Demat – Remat and Others	Nil	Nil	Nil	Nil
Received from SEBI, Stock Exchanges and Other Statutory Authorities	1	1	2	2
Total	1	1	2	2

The Company endeavors to settle all shareholder complaints in the minimum Possible time.

10. Distribution of Shareholding as on 31st March 2013. (See table No. 1)

11. Categories of Shareholding as on 31st March 2013. (See table No. 2)

12. Dematerialization of shares & liquidity

Over 94.90 % of equity shares have been dematerialized as on 31.03.2013. Trading in equity shares of your Company on Bombay Stock Exchange (BSE) and Calcutta Stock Exchange (CSE) is permitted only in dematerialized mode w.e.f. November 25, 2000 as per notification issued by SEBI.

To facilitate the investors in having easy access to demat system, the Company has signed agreements with both the depositories viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

13. **Details on use of public fund obtained in the last three years :** N.A
14. **Fresh Issue of Capital**
During the year under review, your Company has not raised any fresh capital.
15. **Investors Correspondence**
Registered Office : Mayfair Tower, 2 Palm Avenue, Kolkata : 700 019, Tel : (033) 2281 – 0560 / 61, Fax : (033) 30580562, E-mail : corporate@bnkcapital.com, compliance@bnkcapital.com
- OR **Registrar & Share Transfer Agents**
C B Management Services (P) Ltd,
P-22, Bondel Road, Kolkata:700 019, Tel No.: (033) 22806692 / 6693, Fax No.: (033) 22470263, E-mail : cbmsl1@cal2.vsnl.net.in, rta@cbmsl.com
16. **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**
The due date on which unclaimed dividends lying in the unpaid dividend accounts of the Company would be credited to the IEPF, are stated in the table below. Investors are requested to claim their dividends before these dates.

Financial Year	Date of Declaration	30days expire from the date of declaration	Transfer to unpaid dividend "unpaid/unclaimed dividend account	7 Years expire from the date of transfer to unpaid/unclaimed dividend account	Amount lying unpaid / unclaimed as on 31st March 2013
2005-06	23-09-2006	22-10-2006	23-10-2006	22-10-2013	1,37,444.51
2006-07	28-09-2007	27-10-2007	28-10-2007	27-10-2014	1,32,847.00
2007-08	06-09-2008	05-10-2008	06-10-2008	05-10-2015	1,38,608.18
2008-09	02-09-2009	01-10-2009	02-10-2009	01-10-2016	1,27,744.00
2009-10	27-07-2010	26-08-2010	27-08-2010	26-08-2017	1,16,493.00
2010-11	30-07-2011	29-08-2011	30-08-2011	29-08-2018	1,10,740.00
2011-12	25-08-2012	24-09-2012	25-09-2012	24-09-2019	1,27,251.20

In terms of the shares issued by the Company in physical form, the certificates of which are lying unclaimed, the Company intends to issue reminders to their holders. These Shares will be transferred into one folio in the name of "Unclaimed Suspense Account" in due course.

17. **Per Share data**

	2012-2013	2011-2012
EPS (₹)	2.67	2.97
EPS Growth (%)	-10%	-24%
Book Value per share (₹)	40.61	38.52
Share price as on 31st March 2013	18.90	20.00

18. **Market Price(High & Low)at BSE during each month of the Financial Year 12-13**

Month	High (₹)	Low (₹)	September 2012	23.70	18.65
October 2012			23.90	19.80	
November 2012			21.45	19.15	
December 2012			21.25	19.00	
January 2013			21.80	18.60	
February 2013			19.75	18.00	
March 2013			23.05	17.05	

Table 1

Share held	No. of share holders	2012-2013			2011-2012			
		% of share holders	Share amount	% of share amount	No. of share holders	% of share holders	Share amount	
1 - 5000	1972	80.69	380041	3.80	2050	80.74	394411	3.94%
5001-10000	210	8.59	148524	1.48	209	8.23	146288	1.46%
10001-20000	92	3.76	131663	1.32	109	4.29	158077	1.58%
20001-30000	42	1.72	105540	1.06	43	1.69	106811	1.07%
30001-40000	32	1.31	105410	1.05	33	1.30	108051	1.08%
40001-50000	10	0.41	46319	0.46	7	0.28	32772	0.33%
50001-100000	30	1.23	219670	2.20	29	1.14	206123	2.06%
100001 & above	56	2.29	8862833	88.63	59	2.33	8847467	88.48%
Total	2444	100	10000000	100	2539	100.00	10000000	100.00

Table 2

Category	2012-2013		2011-2012	
	No. of share held	% of share holding	No. of share held	% of share holding
01. Promoter Company	1871881	18.72	1871881	18.72
02. Director	3358251	33.58	3358251	33.58
03. Directors Relative	66875	0.67	66875	0.67
04. Mutual Fund	31250	0.31	31250	0.31
05. F.I.I.	NIL	NIL	NIL	NIL
06. Financial Institution	NIL	NIL	NIL	NIL
07. N.R.I	30586	0.31	33061	0.33
08. Other Bodies Corp.	2743543	27.44	2628876	26.29
09. Bank	NIL	NIL	NIL	NIL
10. Resident Individual	1897314	18.97	2008341	20.08
11. Clearing Members	300	0	1465	0.02
TOTAL	10000000	100.00	10000000	100.00

AUDITOR'S CERTIFICATE

To
The Members of BNK Capital Markets Ltd.

We have examined the compliance of conditions of corporate governance by BNK Capital Markets Ltd., for the year ended on 31st March 2013, as stipulated in Clause - 49 of the Listing Agreement of the said Company with stock exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreements.

As per representation received from the Registrars of the Company, we state that as per records maintained by the Shareholders/Investors Grievance Committee, no investor grievance is remaining unattended/pending for more than 30 days.

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

For R.Bhattacharya & Associates
Chartered Accountants
Firm Registration No. 307124E
Kolkata CA. R. BHATTACHARYA
28th May 2013 Proprietor
Membership No. 12394

Management Discussion & Analysis Report

Overview :

Prolonged economic crisis, particularly in the Euro zone, crude price hike, high import of crude & Gold, weakening of Rupee, high current account deficit had lead to a further fall in the GDP growth rate of the countries from 6.2% to 5% in 2013. This along with high inflation, high interest rate has resulted in the slowdown of the economy. This has resulted in the averseness to Industrial growth. Further the inability of the Govt. to pursue reforms and implement its policies because of its political compulsions, scams and issues of corruptions, inactiveness of Govt. machineries have brought the business confidence levels to its lowest. We have biggest ever current account deficit.

Opportunities and Threats

With the indications of good monsoon and the cooling down of the crude and commodity prices, lowering of inflation & interest rates, if coupled with a strong Govt action on policy implementation may take few of quarters to again start moving on the growth trajectory. Both the capital markets and the interest rate markets are expected to remain volatile in near future

The key threats include the change/slowdown in implementation of the policies of the Government. Indecisiveness of the Govt. because of political pressures, changes in tax structure, failure to contain actual inflation within a reasonable range, high inflation rate, increasing interest rates, weakening of rupee and record current account deficit, because of high oil and gold imports ,governing rules of SEBI and RBI etc., crises in Eurozone, which may affect the capital and debt market substantially.

Business Segment Analysis

During the period under review the Company's activities were mainly restricted to Capital Market and related fields . However the company has made investments and disinvestments in Equity Shares.

FINANCIAL PERFORMANCE

	Year Ended 31st March 2013 (` In Lacs)	Year Ended 31st March 2012 (` In Lacs)
Profit before Depreciation and Amortisation Expenses, Finance Costs and Tax Expenses	368.37	354.81
Less: Finance Costs	57.49	28.18
Depreciation and Amortisation Expences	8.25	9.14
Profit before Tax	302.63	317.49

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BNK CAPITAL MARKETS LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of BNK Capital Markets Ltd ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected

Less: Current Tax	35.84	34.05
Deferred Tax	(0.48)	(0.48)
Profit for the year	267.27	283.92
Add: Balance in Profit & Loss Account	654.05	569.89
	921.33	853.81
Less: Appropriation		
Transferred to Statutory Reserve	53.45	56.78
Transferred to General Reserve	50.00	50.00
Proposed Dividend on Equity Shares	50.00	80.00
Tax on Dividend	8.11	12.98
Closing Balance	759.77	654.05

Comment on current year's performance:

Revenue : Total Revenue of the Company has decreased in comparison to previous year because of volatile capital markets, volatile interest rate regime.

Operating Expenses : Operating expense has decreased compare to previous year because of various measures adopted by the management to keep costs at minimum levels.

Operating Profit : Profit on account of sale of investment, dividend, interest has increased in comparison to last year.

Interest Expense : Interest Expenses has been higher as compared to last year.

Depreciation : Depreciation has reduced during the year.

Net Profit : Net profit has shown an decrease during the period under review.

HUMAN RESOURCES

The Company's human resource strategy, which is in line with the group strategy, revolves around the development of the individual.

INTERNAL CONTROLS

The Company has a proper and adequate system of internal controls befitting its size to ensure that all its assets are safeguarded and protected against loss from unauthorized use and disposal and that all transactions are authorized and reported correctly.

The internal controls are supplemented by internal audits, reviewed by Management and Audit Committee of Board of Directors. The internal control ensures that appropriate financial records are available for preparing financial statements and other data for showing a true and fair picture of the state of affairs of the Company.

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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the Balance Sheet, of the state of affairs of the Company asat March 31, 2013
- in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:
- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - in our opinion, the Balance Sheet, the statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (l) of section 274 of the Companies Act, 1956;

For R. BHATTACHARYA & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. 307124E

CA. R. BHATTACHARYA
Proprietor
Membership No. - 012394

Kolkata
28th May, 2013.

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date:

- The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - According to the information and explanations given to us, the Fixed Assets of the Company have been physically verified by the management during the year, and no material discrepancies were noticed on such verification as confirmed by the management.
 - In our opinion, the Company has not disposed off any substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
- As explained to us, inventories have been physically verified by the management at reasonable intervals during the year.
 - In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - In our opinion and according to information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification as compared with the book records.
- In respect of the loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
 - As per the information and records made available, the Company has granted unsecured loans to six companies listed in the register maintained under section 301 of the Act. The maximum amount involved during the period and the balances of said loans were aggregating to Rs.731.17 lacs and Rs.291.51 lacs respectively.
 - In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of the loans given by the Company, are not prima facie prejudicial to the interest of the Company.
 - In respect of aforesaid loan granted, the amounts of principal as well as interest have been repaid regularly.
 - In respect of the said loans and interest thereon, there are no overdue amounts.
 - The Company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Accordingly sub clauses (f) and (g) of clause 4(iii) of the said order are not applicable to the company.
- In our opinion and according to the information and explanations given to us, there is an adequate internal control system which commensurate with the size of the company and the nature of its business with regard to purchases of securities, fixed assets and sale of securities and services. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control system.

- According to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered into the register required to be maintained under section 301 of the Companies Act, 1956 have been so entered.
- According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
- In our opinion, the company has an internal audit system commensurate with the size and nature of its business, for the purchases of shares/securities, equipment and other assets and for sale of shares/securities.
- In our opinion, the provisions of section 209 (1) (d) of the Companies Act, 1956 for the maintenance of cost records are not applicable to the company.
- According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including Investor Education and Protection Fund, Income Tax, Wealth Tax, Service Tax, Cess and other material statutory dues as applicable to the appropriate authorities.
 - According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2013 for a period of more than six months from the date of becoming payable. © The disputed Income Tax aggregating Rs.332.90 Lacs that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

Sr. No	Nature of the Dues which the amount relates	Amount (` in Lacs)	Period	to Forum where dispute is pending
1	Income Tax	43.49	2004-2005	ITAT
2	Income Tax	241.13	2006-2007	ITAT
3	Income Tax	38.11	2008-2009	ITAT
4	Income Tax	10.17	2010-2011	CIT-XII(A)

- The company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holder as at the balance sheet date.
- The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the company.
- In our opinion and according to the information and explanations given to us, proper records have been maintained for the transactions and contracts in respect of inventories or dealing in shares, securities, debentures and other investments and timely entries have been made therein and also the shares, securities, debentures and other investments have been held by the company in its own name except to the extent of the exemption, if any, granted u/s 49 of the Companies Act, 1956.
- In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- The Company did not have any term loans outstanding during the year.
- According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
- According to the information and explanations given to us, no preferential shares have been allotted by the company to parties and companies covered in the register maintained u/s 301 of the Companies Act, 1956.
- During the year under audit, the Company has not created any security or charge in respect of debentures issued.
- The Company has not raised any monies by way of public issues during the year.
- To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company was noticed or reported during the year.

For R. BHATTACHARYA & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No. 307124E

Kolkata
28th May, 2013.

CA. R. BHATTACHARYA
Proprietor
Membership No. - 12394

BALANCE SHEET AS AT 31ST MARCH, 2013.

Particulars	Note No	As at 31.03.2013		As at 31.03.2012	
		₹ (lacs)	₹ (lacs)	₹ (lacs)	₹ (lacs)
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	2	1,000.00		1,000.00	
(b) Reserves and Surplus	3	3,060.81	4,060.81	2,851.64	3,851.64
(2) Current Liabilities					
(a) Short-Term Borrowings	4(a)	2,642.04		2,587.13	
(b) Trade Payables	4(b)	-		4.11	
(c) Other Current Liabilities	4(c)	1.73		2.76	
(d) Short-Term Provisions	4(d)	245.43	2,889.19	244.46	2,838.46
Total			<u>6,950.00</u>		<u>6,690.10</u>
II. ASSETS					
(1) Non-Current Assets					
(a) Fixed Assets					
Tangible Assets	5(a)	28.31	28.31	31.10	31.10
(b) Non-Current Investments	5(b)	3,459.15		3,325.98	
(c) Long Term Loans and Advances	5(c)	12.58		18.13	
(d) Deferred Tax Assets (Net)	5(d)	1.40	3,473.13	0.92	3,345.03
(2) Current Assets					
(a) Current Investments	6(a)	-		25.96	
(b) Inventories		12.55		262.55	
(c) Trade Receivables	6(b)	12.06		1.55	
(d) Cash and Cash Equivalents	6(c)	568.90		537.97	
(e) Short-Term Loans and Advances	6(d)	2,514.28		2,203.71	
(f) Other Current Assets	6(e)	340.77	3,448.56	282.23	3,313.97
Total			<u>6,950.00</u>		<u>6,690.10</u>

R. BHATTACHARYA & ASSOCIATES

Chartered Accountants
Firm Registration No. 307124E

CA. R. Bhattacharya

Proprietor
Membership No.12394
7B Panchanantala Road
Kolkata- 700029
Kolkata, May 28th, 2013.

ON BEHALF OF THE BOARD

Dr. N. K. Sengupta **R. S. Khandelwal** **A. Khandelwal**
Chairman Vice-Chairman Managing Director

P. Chakravarti **S. Khandelwal**
Director Director

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

Particulars	Note No	As at	
		31.03.2013	31.03.2012
		₹ (lacs)	₹ (lacs)
I INCOME			
Revenue from operations	7	829.59	12,994.27
Other Income	8	210.94	231.58
II. Total Revenue		1,040.53	13,225.85
III. EXPENSES:			
Purchase of Stock-in-Trade		264.43	12,437.10
Changes in inventories of Stock-in-Trade		250.00	249.43
Employee benefits expense		81.43	69.18
Finance costs	9	57.49	28.18
Depreciation and amortization expense		8.25	9.14
Other expenses	10	76.30	115.33
IV Total Expenses		737.90	12,908.36
V. Profit before tax		302.63	317.49
VI. Tax expense:			
(1) Current tax		(35.84)	(34.05)
(2) Deferred tax		0.48	(33.57)
VII. Profit(Loss) for the period	(V-VI)	-	283.92
VIII. Earnings per equity share:		2.67	2.97
(1) Basic and Diluted (in Rs.)			

R. BHATTACHARYA & ASSOCIATES

Chartered Accountants
Firm Registration No. 307124E

CA. R. Bhattacharya

Proprietor
Membership No.12394
7B Panchanantala Road
Kolkata- 700029
Kolkata, May 28th, 2013.

ON BEHALF OF THE BOARD

Dr. N. K. Sengupta Chairman **R. S. Khandelwal** Vice-Chairman **A. Khandelwal** Managing Director

P. Chakravarti Director **S. Khandelwal** Director

Notes Annexed to and forming part of Accounts

Notes on Accounts and Significant Accounting Policies forming to and part of Balance Sheet as at 31st March, 2013 and Statement of Profit and Loss for the year ended on that date.

Note No.

1 SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation of Financial Statements :

The financial statements have been prepared to comply in all material aspects with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006, relevant provisions of the Companies Act, 1956 and also as per the guidelines for prudential norms prescribed by the Reserve Bank of India. The accounts have been prepared on the historical cost basis and on the principles of going concern.

b) Fixed Assets :

All Fixed Assets are valued at cost less depreciation. An Asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to profit & loss account in the year in which an asset is identified as impaired.

c) Depreciation :

Depreciation on all tangible fixed assets is provided on written down value method in terms of Section 350 of the Companies Act, 1956, at the rates prescribed in Schedule XIV to the said act over their useful life.

d) Investments :

Investments, are readily realisable but intended to be held for more than one year from the date on which such investments are made, are classified as Non Current Investments, all other Investments are classified as current Investments.

Long Term Investments are stated at cost.

On disposal of an Investment, the difference between its carrying amount and net disposal proceeds is charged to the statement of profit and loss.

e) Recognition of Income and Expenditure :

i) Revenue is recognised and reported to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

ii) Interest Income is recognised as and when the same has accrued on time proportion basis and company's right to receive interest is established.

iii) Dividend Income is recognised when the same is received by the company.

f) Employee Retirement & Other Benefits

i) Short term employees benefits are recognised in the period in which employees' services are rendered.

ii) Leave Encashment

Leave Encashment benefit is considered and provided for, based on actual as at the financial year.

g) Income Taxes

Deferred Income Taxes reflect the impact of the timing differences between taxable income and the accounting income originating during the current year and reversal of timing differences for the earlier years.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax Assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Minimum Alternate Tax (MAT) in accordance with the provisions of sec.115JB of the income tax act, 1961 is not applicable to the company for the year under audit .

h) Provisions, Contingent Liabilities and Contingent Assets Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

i) Earnings Per Share (EPS)

Basic EPS are calculated by dividing the net profit for the period attributable to the equity share holders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

Notes on Financial Statements for the Year ended 31st March 2013

Particulars	As at 31.03.2013		As at 31.03.2012	
	₹ (lacs)	₹ (lacs)	₹ (lacs)	₹ (lacs)
2 SHARE CAPITAL				
Authorised				
125,00,000 Equity Shares of ₹ 10/- each		<u>1,250.00</u>		<u>1,250.00</u>
Issued, Subscribed & Paid Up				
100,00,000 Equity Shares of ₹ 10/- each, fully paid up in cash. (Prev.Yr:100,00,000 Equity Shares of ₹ 10/- each)		<u>1,000.00</u>		<u>1,000.00</u>
		<u>1,000.00</u>		<u>1,000.00</u>
Reconciliation of Equity Share of the company:				
Issued, Subscribed & Paid up:				
Number of Equity Shares at the beginning of the year		10,000,000		8,000,000
Add: Issued/Subscribed & Paid Up during the year		-		2,000,000
Closing (Number)		<u>10,000,000</u>		<u>10,000,000</u>
Details of holding more than 5% of paid up Equity Share Capital:				
	% of holding	No. of Shares	% of holding	No. of Shares
Radhey Shyam Khandelwal	11.75	1,175,000	11.75	1,175,000
Ajit Kumar khandelwal	11.25	1,125,063	11.25	1,125,063
Sanjeev Kumar Khandelwal	11.25	1,125,063	11.25	1,125,063
BNK Securities Pvt.Ltd	11.28	1,127,781	11.28	1,127,781
Details for preceeding Five Years of Equity Shares:				
	FY:2012-13	FY:2011-12	FY:2010-11	FY:2009-10
Aggregate number of Equity Shares allotted as fully paid up by way of Bonus Shares	N.A	2,000,000	N.A	N.A
3 RESERVES & SURPLUS				
Share Premium Account				
Balance Brought Forward		1,230.00	1,230.00	1,230.00
Statutory Reserve				
Balance Brought Forward		294.38		237.60
Add: Transferred during the year		<u>53.45</u>	347.83	<u>56.78</u>
				294.38
General Reserve				
Balance Brought Forward		673.21		823.21
Add: Transferred during the year		50.00		50.00
Less: Used for Bonus Issue		-	723.21	<u>(200.00)</u>
				673.21
Surplus from Profit & Loss Accounts B/F				
Balance Brought Forward		654.05		569.89
Add: Profit for the year		<u>267.27</u>		<u>283.92</u>
		921.33		853.81
Less:				
Transferred to Statutory Reserve		53.45		56.78
Transferred to Genral Reserve		50.00		50.00
Proposed Dividend on Equity Shares		50.00		80.00
[Dividend per Share Rs.0.50 (Previous year Rs.0.80)]				
Tax on Dividend		<u>8.11</u>	<u>759.77</u>	<u>12.98</u>
			<u>3,060.81</u>	<u>2,851.64</u>

Notes on Financial Statements for the Year ended 31st March 2013

		As at 31.03.2013	As at 31.03.2012
	` (lacs)	` (lacs)	` (lacs)
4 CURRENT LIABILITIES			
(a) Short-term borrowings			
Unsecured			
Bank Overdraft	293.84		133.62
From bodycorporates, repayable within one year	2,348.20	2,642.04	2,453.51
		<u>2,642.04</u>	<u>2,587.13</u>
(b) Trade Payables			
Trade Payable	-	-	4.11
			<u>4.11</u>
(c) Other Current Liabilities			
TDS Payable	1.15		1.47
for Expenses	0.58	1.73	1.29
		<u>1.73</u>	<u>2.76</u>
(d) Short Term Provisions			
Provision for Income Tax	195.43		164.46
Provision for Dividend	50.00	245.43	80.00
		<u>245.43</u>	<u>244.46</u>
5 NON CURRENT ASSETS			
(a) Tangible Assets			
Gross Amount			
Opening Balance B/F	60.48		45.29
Additions during the Year	5.46		15.19
Sale/Adjustment during the Year	-	65.94	-
			<u>60.48</u>
Less: Depreciation			
Opening Balance B/F	29.38		20.24
Additions during the Year	8.25		9.14
Reversal/Adjustment during the Year	-	(37.63)	-
		<u>(37.63)</u>	<u>(29.38)</u>
Net Amount		<u>28.31</u>	<u>31.10</u>

Fixed Assed

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	As On 01.04.2012	Adjustment /Sale during the year	As On 31.03.2013	As On 01.04.2012	Adjustment /Sale during the year	Addition during the year	As On 31.03.2013	As On 31.03.2013	As On 31.03.2012
TANGIBLE ASSETS									
Furnitue & Fittings	0.45	2.38	2.83	0.23	0.40		0.63	2.20	0.22
Motor Car	47.70	-	47.70	23.30	6.32		29.62	18.08	24.40
Office equipments	6.88	2.81	9.69	1.68	0.95		2.63	7.06	5.20
Computer	5.45	0.27	5.72	4.17	0.58		4.75	0.97	1.28
Total	60.48	5.46	65.94	29.38	8.25		37.63	28.31	31.10
Previous Year	45.29	15.19	60.48	20.24	9.14	-	29.38	25.05	31.10

Notes on Financial Statements for the Year ended 31st March 2013

b) Non Current Investments

(i) Investments (at cost, Long term, Other than trade)

Shares & securities, Quoted	F.V.	Quantity	Amount	Quantity	Amount
Arco Impex Ltd	10.00	44,000	4.51	44,000	4.51
Arihant Impex Ltd	10.00	20,000	0.45	20,000	0.45
Ballasore Alloy Ltd.	10.00	52,000	19.31	52,000	19.31
BEML Ltd	10.00	44	0.16	44	0.16
Bharat Pipes & Fittings Ltd	10.00	500	0.12	500	0.12
Bhoruka Aluminium Ltd.	10.00	25,000	1.24	25,000	1.24
B.J.Duplex Boards Ltd	10.00	1,000	0.05	1,000	0.05
Bombay Burmah Trading Corporation Ltd	2.00	10,000	0.76	2,000	0.76
Bombay Rayon Fashion Ltd.	10.00	10,000	23.01	-	-
CESC Ltd	10.00	3,017,351	645.64	3,017,351	645.64
CNI Research Ltd.	1.00	5,000	-	5,000	-
Color Chips (India) Ltd	10.00	660	0.07	660	0.07
Duncans Brothers & Company Ltd	10.00	3,185	0.16	3,185	0.16
DSQ Biotech Ltd.	10.00	3,600	0.14	3,600	0.14
ESS Dee Alluminium Ltd.	10.00	785	9.00	785	9.00
Everest Kanto Cylinder Ltd	2.00	-	-	10,000	7.24
ELGI Equipment Ltd.	1.00	50	0.01	50	0.01
Ellenbarrie Industrial Gases Ltd.	10.00	4,255	17.86	4,266	17.88
Enkay Texofood Industries Ltd	10.00	2,000	0.04	2,000	0.04
Enso Secutrack Ltd	10.00	4,000	0.11	4,000	0.11
Essel Propack Ltd.	2.00	75	0.30	-	-
Fairluck Commercial Ltd.	10.00	243,800	13.79	243,800	13.79
Gujarat Mineral Development Corp.Ltd	2.00	1,000	1.68	1,000	1.68
Gujrat Fluro Chemical Ltd.	10.00	16,000	79.81	25,000	125.72
G.V.Films Ltd	10.00	2,500	0.09	2,500	0.09
GVK Power & Infrastructure Ltd	1.00	51,250	7.94	51,250	7.94
Gwalior Strips Ltd	10.00	1,000	0.20	1,000	0.20
Halmark Drug & Chem Ltd	10.00	5,000	0.04	5,000	0.04
Harrisons Malaylam Ltd	10.00	35,000	27.95	35,000	27.95
Hendez Electronics Ltd	10.00	300	0.03	300	0.03
India Bulls Power Ltd	10.00	20,000	3.33	10,000	2.19
India Bulls Securities Ltd	10.00	10,000	1.56	10,000	1.56
India Gelatine & Chemicalls Ltd	10.00	1,520	0.14	1,520	0.14
IST Ltd	10.00	1,600	0.47	1,600	0.47
Indsil Hydro Power & Maganese Ltd	10.00	3,333	0.08	3,333	0.08
Jay Bharat Fabric Ltd	10.00	10,000	0.30	10,000	0.30
J Kumar Infra Project Ltd	10.00	-	-	2,500	3.30
Jindal South West Holdings Ltd	10.00	100	0.56	-	-
Kanika Infrastructure & Power Ltd	10.00	500	-	500	-
KEC International Ltd	2.00	1,509,275	588.04	2,294,275	868.20
Kirloskar Electric Co.Ltd	10.00	3,261	1.45	10,000	4.46
Kanel Oil Export Ltd	10.00	1,100	0.01	1,100	0.01
Kothari Phyto Chemicals Ltd	10.00	150,000	62.32	150,000	62.32
K S Oil Ltd	10.00	-	-	5,000	1.65
Mardia Steel Ltd	10.00	600	0.01	600	0.01
Mcnally Bharat Engg. Ltd	10.00	17,861	17.13	62,861	105.83
Meghmaqni Organics Ltd	1.00	25,000	3.41	25,000	3.41
Mura Black India Ltd	10.00	300	-	300	-
Nagarjuna Fertilizer Ltd	10.00	1,400	0.33	1,400	0.33
NHPC Ltd	10.00	100,000	30.65	100,000	30.65
Nihar Info Global Ltd	10.00	25,000	0.75	25,000	0.75
Orchid Chemicals Ltd.	10.00	300	0.67	300	0.67
Padmini Technologies Ltd	10.00	2,500	0.16	2,500	0.16
Phillips Carbon Black Ltd	10.00	530,000	553.32	210,000	284.39
Pennar Aluminium Company Ltd	10.00	15,000	0.31	15,000	0.31
Polaris Soft Ltd	5.00	450	0.50	450	0.50
Protchem Industries Ltd	1.00	2,500	0.55	2,500	0.55
PNB Gilts Ltd	10.00	5,000	1.12	5,000	1.12
Punjab Chemicals & Protection Ltd	10.00	500	0.76	500	0.76
Rasai Ltd	10.00	6,002	19.13	6,002	19.13
Raspropack Lamipack Ltd.	10.00	-	-	1,250	0.30

Notes on Financial Statements for the Year ended 31st March 2013

	F.V.	Quantity	Amount	Quantity	Amount
Reliance Power Ltd	10.00	3,270		3,270	
Sanghi Polyster Ltd	10.00	4,700	0.04	4,700	0.04
Saint Gobainb Sekurit India Ltd	10.00	-	-	1,000	0.47
Saregama Ltd.	10.00	523,220	481.90	63,220	66.71
Satyam Computer Ltd	2.00	-	-	30,000	19.81
Shivalik Bymetal Controls Ltd	2.00	15,000	2.86	15,000	2.86
Shree Synthetic Ltd	10.00	25	-	25	-
Shoper Stop Ltd.	5.00	1,000	3.54	-	-
Shree Securities Ltd	10.00	33,000	65.41	33,000	65.41
Stieful Und Schuh Ltd	10.00	2,100	0.21	2,100	0.21
Steel Strips Infrastructures Ltd.	10.00	6,000	0.48	6,000	0.48
Summit Securities Ltd	10.00	17,787	48.37	62,787	170.74
Tisco Ltd	10.00	580	1.42	580	1.42
Texmaco Ltd	10.00	5,000	1.59	5,000	1.59
Valiant Communication Ltd	10.00	10,000	1.92	10,000	1.92
Varun Shipping Co.Ltd	10.00	14,850	1.39	14,850	1.39
Welspun Corp.Ltd.	5.00	2,500	2.49	-	-
Zensar Technologies Ltd	10.00	4,200	13.75	4,200	13.75
Zydus Weliness Ltd	10.00	1,000	1.25	1,000	1.25
			2,768.15		2,625.93
In unquoted Equity Shares, at cost Others	F.V	Quantity	Amount	Quantity	Amount
Apeejay Surendra Corprate Services Pvt.Ltd.	10	-	-	1	0.35
BNK Securities Pvt Ltd	10	2,544,400	439.69	2,544,400	439.69
Bliss Stock Brokers Pvt Ltd	10	180,000	18.00	180,000	18.00
Fermanite Nicco Services Ltd	10	10	-	10	-
Gujarat Securities Ltd	10	10,000	0.15	10,000	0.15
I Land Info Ltd	10	30,000	3.00	30,000	3.00
Malanpur Steel Ltd	10	218	-	218	-
Multiple Infra Pvt Ltd	10	22,500	24.75	22,500	24.75
Trendz Investment Ltd	10	350,000	35.00	350,000	35.00
Zeon Synthetics Ltd	10	120,000	12.00	120,000	12.00
			532.59		532.94
In Debenture at cost					
Galleria Mall Developers Pvt.Ltd.		16	5.87	16	5.87
Lily Realty Pvt.Ltd.		6	0.08	6	3.07
Prince Foundation Ltd.		16	9.06	16	9.06
Sheth Developers Pvt.Ltd.		10	0.65	10	6.36
			15.66		24.36
In Mutual Fund					
UTI Master Share		5000	0.74	5,000	0.74
			0.74		0.74
In Subsidiary Company Equity Shares					
BNK Commodities Pvt.Ltd.	10	1,050,000	105.00	1,050,000	105.00
			105.00		105.00
In Foreign Company					
BNK Comdex DMCC					
(shares of 1000 ADE each)		300	37.01	300.00	37.01
			37.01		37.01
			3,459.15		3,325.98
Aggregate Market Value of quoted shares			9,908.61		10,601.17
NAV of Mutual Fund			1.19		1.19
			9,909.80		10,602.36
c) Long term Loans & Advances					
Security Deposit			12.58		18.13
			12.58		18.13
d) Other Non Current Assets					
Deferred tax assets (Net)			1.40		0.92
			1.40		0.92

Notes on Financial Statements for the Year ended 31st March 2013

6 CURRENT ASSETS

(a) Current Investments

Sri Khodiar Realtech P.Ltd			16	10.67
Galleria Mall Developers Pvt.Ltd.	0	-	6	3.00
Lily Realty Pvt.Ltd.	0	-	16	8.00
Prince Foundation Ltd.	0	-	10	4.29
Sheth Developers Pvt.Ltd.	0	-		25.96
				<u>25.96</u>

(b) Trade Receivables

Unsecured, Considered Good

Trade Receivables outstanding for a period less than Six months	12.06	12.06	1.55	1.55
		<u>12.06</u>		<u>1.55</u>

(c) Cash & Cash Equivalents

(i) Balances with banks in Current Accounts		84.26		89.11
(ii) Cash in hand		0.51		0.82
(iii) Fixed Deposit with Bank		<u>484.13</u>		<u>448.04</u>
		<u>568.90</u>		<u>537.97</u>

(d) Short Term Loans & Advances (unsecured, considered good)

(i) Loan Given	2,221.93		1,641.54	
Less: Receivable for more than one year	-	2,221.93	-	1,641.54
(ii) Loans & Advances to Related Parties		291.50		562.17
(iii) Staff Advance		0.85		-
		<u>2,514.28</u>		<u>2,203.71</u>

(e) Other Current Assets

Prepaid Expenses		0.83		0.74
Share Applications pending allotment with Subsidiary		56.00		56.00
Income Tax Instalment		13.00		-
Advance Tax paid		139.74		124.67
Tax Deducted at source		127.87		98.02
Service Tax		<u>3.33</u>		<u>2.80</u>
		<u>340.77</u>		<u>282.23</u>

7 REVENUE FROM OPERATIONS

Interest income		316.99		234.18
Sale Of Bonds		<u>512.60</u>		<u>12,760.09</u>
		<u>829.59</u>		<u>12,994.27</u>

8 OTHER INCOME

Dividend Received		191.73		162.93
Profit on Sale of Non Current Investments		19.11		68.15
Misc. Receipts		0.10		0.50
		<u>210.94</u>		<u>231.58</u>

9 Finance Costs

Interest Paid		57.49		28.18
on Bank Overdraft	33.72		13.23	
on Loan	23.77		14.95	
		<u>57.49</u>		<u>28.18</u>

10 OTHER EXPENSES

(a) Operational Expenses

Purchases (bonds)		263.02		12,435.18
Security Transaction Tax		1.41		1.92
		<u>264.43</u>		<u>12,437.10</u>

Notes on Financial Statements for the Year ended 31st March 2013

(b) Administrative & Other Expenses

Director's Remuneration & Sitting Fees		15.08		13.32
Business Promotion Expenses		5.60		7.77
Demat Charges		0.56		0.95
General Charges		3.41		2.58
Guest House Expenses		8.75		6.30
Motor Car Expenses		5.59		5.06
Travelling Expenses		11.33		10.96
Bank Charges		0.06		0.77
Rent Rates & Taxes		8.14		12.42
Legal Expenses		0.10		2.27
Listing & Filling Fees		0.46		3.10
Auditors Remuneration				
For Audit Fees	0.09		0.09	
For Tax Audit Fees	0.02		0.02	
Other Matters	0.10	0.21	0.10	0.21
Printing & Stationery		1.87		1.32
Professional Fee		2.31		27.93
Telephone Expenses		1.64		5.20
Electric Charges		3.85		3.40
Meeting & Conference Expenses		1.53		2.44
Membership & Subscriptions		0.29		0.64
Notice & Publications		0.21		0.22
Postage & Telegram		0.70		1.10
Repair & Maintenance		1.21		1.84
Website Maintenance		3.40		5.53
		<u>76.30</u>		<u>115.33</u>

- 11 The Company is an Non Deposit accepting 'Non Banking Finance Company' having registration number B-05.02574 dated 09.12.2004 allotted by Reserve bank of India.
- 12 The Board of Directors of the Company has passed a resolution for Non - acceptance of public deposit and consequently the company has not accepted any public deposit during the year under audit.
- 13 The company has complied with the prudential norms relating to income recognition, accounting standards and assets classification as applicable to it.
- 14 The company has appropriated during the year to Statutory Reserve Fund as per guidelines issued by the Reserve Bank of India for Non Banking Finance Companies in terms of Section 45(IC) of Reserve Bank of India Act, 1934.
- 15 The company under the provisions of Non Banking (Non Deposit Accepting or Holding) Companies Prudential Norms(Reserve Bank) Directions, 2007 has not made provision for standard assets of Trade Receivables @ 0.25% of the outstanding as on 31.03.2013, since the amount of provision is not material for consideration.
- 16 In the opinion of the board of directors, all current assets, have a value on realisation in the ordinary course of business atleast equal to the amount at which they are stated.
- 17 Unsecured Loan due to parties are repayable on demand.
- 18 Based on information available with the company, there are no clients/creditors who are registered under Micro, Small and Medium Enterprises Development Act, 2006.
- 19 There is no small scale industrial undertaking to whom the company owes amounts outstanding for more than 30 days as at 31st March,2013.
- 20 Advance Tax paid and Tax Deducted at Source will be adjusted by the company on the completion of assessment of the income for the A.Y.2013-14 by the Income Tax Department.
- 21 In accordance with the revised Accounting Standard AS-15, i.e. Employee Benefits, the company has recognised the short term employee benefits accordingly paid for the services rendered by the employees for that period. Long term benefits are not payable to the employees of the company, as the company is not under any statutory obligation as well as contractual obligation.
- 22 The company considers its operation of NBFC activities as single segment and as such Accounting Standard AS-17 'Segment Reporting' issued by ICAI is not applicable for the company
- 23 Claims against the Company not acknowledged as debt.

S. No.	Nature	Assessment Year	(in lacs)	Forum where dispute is pending
1	Income Tax	2004-2005	43.49	ITAT
2	Income Tax	2006-2007	241.13	ITAT
3	Income Tax	2008-2009	38.11	ITAT
4	Income Tax	2010-2011	10.17	CIT-XXII (A)

Notes on Financial Statements for the Year ended 31st March 2013

24 Related party disclosures in accordance with the Accounting Standard - 18 issued by the Institute of Chartered Accountants of India:

List of related parties and description of relationship:

- a) Key Management Personnel
Mr. Ajit Khandelwal Managing Director
- b) Associate / Group Companies
 1. Subsidiary Company
 - i) BNK Commodities Pvt. Ltd
 2. Associates
 - i) BNK Securities Pvt. Ltd.
 - ii) BNK Comdex DMCC
 - iii) Abacus Fund Services Pvt. Ltd.
 - iv) Patrex Vyappar Ltd.
 - v) In Media Computer Services LLP

Transactions during the year with related parties:

	Year ended 31.03.2013 (In Lacs)	Year ended 31.03.2012 (In Lacs)
A. Key management Personnel		
Remuneration Paid	14.70	12.87
Balance at year end:	14.70	12.87
Debit/(credit)		
C. Associates / Group Companies		
Rent Paid	1.08	1.08
Securities Purchases	630.84	450.35
Securities Sales	505.62	763.94
Loan Given	996.66	1,154.94
Loan Refund	1,267.31	1,364.69
Interest Received	40.11	49.60
Balance at year end:	291.51	562.16
Debit/(credit)		
25 Earnings Per share		
Particulars	As at 31.03.2013	As at 31.03.2012
Profit After Tax	267.27	283.92
Weighted average Number of Equity Shares outstanding	10,000,000	9,583,333
Face Value of Share	10	10
Basic & Diluted Earnings Per Share	2.67	2.97

26 The Company has adopted Accounting Standard AS-22 'Accounting for taxes on Income' issued by ICAI. The Company has no deferred tax liability arising out of timing difference as on 31.03.2013. However, Deferred Tax assets have been recognised subject to the consideration of prudence in respect of DTA, on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

27 The details of traded securities purchased & sold during the year:

	As at 31.03.2013 Quantity		As at 31.03.2012 Quantity	
Opening Stock				
Bonds	46	262.55	71	10.07
Purchases				
Bonds	358	263.02	43,638	12,435.18
Sales				
Bonds	383	513.02	43,663	12,684.62
Closing stock				
Bonds	21	12.55	46	262.55

28 Reserve bank of India vide Notification No. DNBS.167/CGN(OPA)-2003 dt. March 29, 2003 has directed that every NBFC shall append to its Balance Sheet prescribed under the Companies Act, 1956, the particulars in the format as set out in the Appendix 2.

29 Expenditure in foreign currency during the Financial Year As at 31.03.2013 As at 31.03.2012
\$2,000 \$218

30 Statement Pursuant to Section 212(1) (e) of The Companies Act, 1956, relating to Subsidiary Companies

Name of the Subsidiary : BNK Commodities Pvt. Ltd.

Holding Companies Interest : 1050000 Equity Shares of ` 10/- each out of total Subscribed Capital of 2000000 Equity Shares of ` 10/- each fully paid up

Changes, if any, in respect of Company's interest in the Subsidiary between the end of their financial year and that of the Company : NIL

Changes, if any, in respect of Fixed Assets etc. of Subsidiary Company between the end of their financial year and that of the Company : NIL

31 Previous year's figures have been regrouped/reclassified wherever necessary.

R. BHATTACHARYA & ASSOCIATES
Chartered Accountants
Firm Registration No. 307124E

CA. R. Bhattacharya
Proprietor
Membership No. 12394
7B Panchanantala Road
Kolkata- 700029

Kolkata, May 28th, 2013.

(iv) Government Securities			NIL
(v) Others (Please specify)			NIL
2. Unquoted :			
(i) Shares	(a) Equity		Rs.532.59
	(b) Preference		NIL
(ii) Debentures and Bonds			13.89
(iii) Units of Mutual Funds			NIL
(iv) Government Securities			NIL
(v) Others (Please Specify)			NIL
Particulars			Amount net of provisions
5. Borrower group-wise classification of assets financed as in (2) and (3) above:			
Category	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties	NIL	NIL	NIL
2. Other than related parties :	NIL	NIL	NIL
Total :	NIL	NIL	NIL
6. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :			
Please see note 3			
Category	Market Value/Break up or Fair Value or NVA		Book Value (Net of Provisions)
1. Related Parties			
(a) Subsidiaries		105.00	105.00
(b) Companies in the same group		NIL	NIL
(c) Other related parties		501.45	501.45
2. Other than related parties :		9,909.80	2,850.93
Total :		<u>10,516.25</u>	<u>3,457.38</u>
AS per Accounting Standard of ICAI			
7. Other Information :			Amount
Particular			
(i) Gross Non-Performing Assets			
(a) Related parties			NIL
(b) Other than related parties			NIL
(ii) Net Non-performing Assets			
(a) Related parties			NIL
(b) Other than related parties			NIL
(iii) Assets acquired in satisfaction of debt			NIL
Total :			NIL

NOTES :

- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial(Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions,2007.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value / NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (4) above.

As per our report of even date

R.BHATTACHARYA & ASSOCIATES

Chartered Accountants

Firm Registrtrion No. 307124E

CA. R. Bhattacharya

Proprietor

Membership No.12394

7B Panchanantala Road

Kolkata- 700029

Kolkata, May 28th, 2013.

ON BEHALF OF THE BOARD

Dr. N. K. Sengupta
Chairman

R. S. Khandelwal
Vice-Chairman

A. Khandelwal
Managing Director

P. Chakravarti
Director

S. Khandelwal
Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	For the year ended 31.03.2013 ` (lacs)	For the year ended 31.03.2012 ` (lacs)
A. CASH FLOW FROM THE OPERATING ACTIVITIES		
Net Profit before Tax from Continuing Operations	302.63	317.49
Non Cash Adjustments to reconcile net cash flow		
<u>Adjustments for :</u>		
Depreciation & Amortisation	8.25	9.14
Profit/(Loss) on Non Current Investment	(19.11)	(68.15)
Dividend Received	(191.73)	(162.93)
Interest Received	(316.99)	(234.18)
Interest Expenses	57.49	28.18
Operating Profit before Working Capital changes	(159.46)	(110.45)
<u>Adjustments for :</u>		
Trade & other Receivable	(10.51)	(113.05)
Inventories	(250.00)	(249.44)
Other Current Asset	58.54	(22.58)
Trade payable	5.14	2.74
Cash generated from operations	(356.29)	(272.16)
Direct taxes Paid	(34.39)	67.31
Cash Flow before extraordinary items	(390.68)	(204.85)
Extra Ordinary Items	-	-
Net Cash Used in Operating Activities	(390.68)	(204.85)
B. CASH FLOW FROM THE INVESTING ACTIVITIES		
Purchase of Fixed Assets	(5.46)	(15.19)
Sale of Fixed Assets	-	-
Purchase of Investment	(165.76)	(91.86)
Sale of Investment	(114.06)	552.62
Dividend Received	191.73	162.93
Net Cash Used in Investing Activities	(93.55)	608.50
C. CASH FLOW FROM THE FINANCING ACTIVITIES		
Proceed from issue of Share Capital	-	-
Share Premium	-	-
Proceed from Long / Short Term Borrowings	(54.91)	375.66
Interest paid	(57.49)	(28.18)
Loan Given/Refund Received	310.57	(603.63)
Interest Received	316.99	234.18
Net Cash Flow from Financial Activities	(515.16)	21.97
D. Net Increase/(Decrease) in Cash & Cash Equivalent	30.93	381.68
Cash & Cash Equivalent (Opening)	537.97	156.29
Cash & Cash Equivalent (Closing)	568.90	537.97

Note : a) Previous years figures have been regrouped/rearranged wherever considered necessary.

As per our report of even date
R. BHATTACHARYA & ASSOCIATES
Chartered Accountants
Firm Registration No. 307124E

CA. R. Bhattacharya
Proprietor
Membership No.12394
7B Panchanantala Road
Kolkata- 700029
Kolkata, May 28th, 2013.

ON BEHALF OF THE BOARD

Dr. N. K. Sengupta **R. S. Khandelwal** **A. Khandelwal**
Chairman Vice-Chairman Managing Director

P. Chakravarti **S. Khandelwal**
Director Director

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Tenth Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2013.

Financial Results

During the year under review, your Company's performance was as under:

	Year Ended 31st March 2013 (` In Lacs)	Year Ended 31st March 2012 (` In Lacs)
Profit before Depreciation and Amortisation	1.75	0.47
Expenses, Finance Costs and Tax Expenses		
Less: Finance Costs	-	0.01
Depreciation and Amortisation Expenses	0.03	0.05
Profit before Tax	1.72	0.41
Less: Current Tax	0.84	-
Profit for the year	0.88	0.41
Add: Balance in Profit & Loss Account	(120.09)	(120.50)
Closing Balance	(128.34)	(120.09)

In absence of sufficient profits the Board do not recommend payment of any dividend.

PERFORMANCE:

Online Commodity Exchanges are a developing concept in our country and it is expected that it will take on slowly to match International Standards. However the Company has started its operation in a small way and is expected to grow steadily.

FIXED DEPOSITS:

Your Company has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956 and the rule made there under.

AUTHORISED CAPITAL:

The authorized capital of the Company has been raised to ` 300 Lacs. The company has received share application money from promoters which is pending allotment. The company has applied to the exchanges for their permission to allot the shares to the promoters.

DIRECTORS:

Mr. Ajit Khandelwal, Director of the Company retire by rotation on the conclusion of the forthcoming Annual General Meeting and, being eligible, offer himself for re-appointment.

PERSONNEL:

None of the Employees of the company is covered under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information as per Section 217 (1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in Report of the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the period ended 31st March 2013 is as under:

A. CONSERVATION OF ENERGY:

Since the Company's core activity is to act as exchange broker, it is not power intensive. However, adequate measures are being taken to minimize the extent of consumption of energy.

B. TECHNOLOGY ABSORPTION:

The company is updated with the modern technologies and is keeping abreast with such technology in order to ensure that we are not placed at a disadvantage on account of the same.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earnings	Rs. Nil.
Foreign Exchange Outgo	Rs. Nil.

DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors confirm:

- i) that in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) that they 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 at the end of the financial year;
- iii) that they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that they had prepared the Annual Accounts on a going concern basis.

STATUTORY DUES:

As on the date of this report, the Company does not have any Statutory Dues.

AUDITORS:

The statutory auditors M/s. R Bhattacharya & Associates, Chartered Accountants, retire at the conclusion of the ensuring Annual General Meeting. The Company has received a letter from M/s. R Bhattacharya & Associates, Chartered Accountants, to the effect that their appointment, if made, would be within the limits under Section 224(1-B) of the Companies Act, 1956.

ACKNOWLEDGEMENTS:

Your director's place on record their gratitude for the valuable assistance and co-operation extended by the Exchanges, Bankers, and Shareholders of the Company. Your directors express their appreciation for the dedicated and sincere services rendered by the employees of the Company.

For and on behalf of the Board

Place : Kolkata

R.S. Khandelwal

Dated : 22nd May 2013

Director

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BNK COMMODITIES PVT. LTD.
Report on the Financial Statements**

We have audited the accompanying financial statements of BNK Commodities Private Ltd ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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. 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

**ANNEXURE TO THE INDEPENDENT
AUDITOR'S REPORT**

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date:

- (1) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- (b) According to the information and explanations given to us, the Fixed Assets of the Company have been physically verified by the management during the year, and no material discrepancies were noticed on such verification as confirmed by the management.
- (c) In our opinion, the Company has not disposed off any substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
- (2) (a) As explained to us, inventories have been physically verified by the management at reasonable intervals during the year.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification as compared with the book records.
- (3) In respect of the loans, secured or unsecured, granted or taken by the company to/ from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
 - (a) As per the information and records made available, the Company has neither granted nor taken any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 301 of the Act.
 - (b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of the loans given by the Company, are not prima facie prejudicial to the interest of the Company.
 - (c) In respect of aforesaid loan granted, the amounts of principal as well as interest have been repaid regularly.
 - (d) In respect of the said loans and interest thereon, there are no overdue amounts.
 - (e) The Company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Accordingly sub clauses (f) and (g) of clause 4(iii) of the said order are not applicable to the company.
- (4) In our opinion and according to the information and explanations given to us, there is an adequate internal control system which commensurate with the size of the company and the nature of its business with regard to purchases of securities, fixed assets and sale of securities and services. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control system.
- (5) According to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered into the register required to be maintained under section 301 of the Companies Act, 1956 have been so entered.
- (6) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
- (7) In our opinion, the company has an internal audit system commensurate with the size and nature of its business, for the purchases of shares/securities, equipment and other assets and for sale of shares/securities.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013
- (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - (c) the Balance Sheet, the 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 Balance Sheet, the statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - (e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (l) of section 274 of the Companies Act, 1956;

For R. BHATTACHARYA & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No-307124E
CA. R. BHATTACHARYA
Proprietor
Membership No. - 12394

Kolkata
May, 22, 2013

- (8) In our opinion, the provisions of section 209 (1) (d) of the Companies Act, 1956 for the maintenance of cost records are not applicable to the company.
- (9) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including Investor Education and Protection Fund, Income Tax, Wealth Tax, Service Tax, Cess and other material statutory dues as applicable to the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2013 for a period of more than six months from the date of becoming payable.
- (10) The company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- (11) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holder as at the balance sheet date.
- (12) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (13) The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the company.
- (14) In our opinion and according to the information and explanations given to us, proper records have been maintained for the transactions and contracts in respect of inventories or dealing in shares, securities, debentures and other investments and timely entries have been made therein and also the shares, securities, debentures and other investments have been held by the company in its own name except to the extent of the exemption, if any, granted u/s 49 of the Companies Act, 1956.
- (15) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- (16) The Company did not have any term loans outstanding during the year.
- (17) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
- (18) According to the information and explanations given to us, no preferential shares have been allotted by the company to parties and companies covered in the register maintained u/s 301 of the Companies Act, 1956.
- (19) During the year under audit, the Company has not created any security or charge in respect of debentures issued.
- (20) The Company has not raised any monies by way of public issues during the year.
- (21) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company was noticed or reported during the year.

For R. BHATTACHARYA & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No-307124E
CA. R. BHATTACHARYA
Proprietor
Membership No. - 12394

Kolkata
May, 22, 2013

BALANCE SHEET AS AT 31st MARCH, 2013

Particulars	Note No	As at 31.03.2013		As at 31.03.2012	
		₹ (lacs)	₹ (lacs)	₹ (lacs)	₹ (lacs)
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	2	200.00		200.00	
(b) Reserves and Surplus	3	(128.34)	71.66	(120.09)	79.91
(2) Share Application Money Pending Allotment			84.00		84.00
(3) Current Liabilities					
(a) Short-Term Borrowings	4(a)	-		1.57	
(b) Trade Payables	4(b)	-		10.18	
(c) Other Current Liabilities	4(c)	0.04		0.06	
(d) Short-Term Provisions	4(d)	0.23	0.27	0.94	12.75
Total			155.93		176.66
II. ASSETS					
(1) Non-Current Assets					
(a) Fixed Assets					
Tangible Assets	5(a)	0.05	0.05	0.08	0.08
(b) Non-Current Investments	5(b)	84.40	84.40	84.40	84.40
(2) Current Assets					
(a) Trade Receivables	6(a)	0.04		0.22	
(b) Cash and Cash Equivalents	6(b)	5.35		18.41	
(c) Short-Term Loans and Advances	6(c)	65.21		71.51	
(d) Other Current Assets	6(d)	0.89	71.47	2.04	92.18
Total			155.93		176.66

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2013

I. INCOME					
Revenue from operations	7		6.96		4.71
Other Income	8		0.50		0.99
II. Total Revenue			7.46		5.70
III. EXPENSES:					
Employee Benefits Expense			0.42		0.39
Finance Costs	9		-		0.01
Depreciation and Amortization Expense			0.03		0.05
Other Expenses	10		5.29		4.85
IV. Total Expenses			5.74		5.30
V. Profit Before Tax			1.72		0.40
VI. Tax Expense:					
Current Tax u/s 115JB		(0.23)		-	-
Adjustment Against Previous Year		(0.61)	(0.84)		
VII. Profit(Loss) for the period	(IV-V)	-	0.88		0.40
VIII. Earnings per equity share of ₹ 10/- each:					
(1) Basic and Diluted (in ₹)			0.04		0.02

R. BHATTACHARYA & ASSOCIATES

Chartered Accountants
Firm Registration.No. 307124E

CA. R. Bhattacharya

Proprietor
Membership No.12394
7B Panchanantala Road
Kolkata- 700029
Kolkata, May 22th, 2013.

ON BEHALF OF THE BOARD

R. S. Khandelwal
Director

A. Khandelwal
Director

S. Khandelwal
Director

Notes Annexed to and forming part of Accounts

Notes on Accounts and Significant Accounting Policies forming to and part of Balance Sheet as at 31st March, 2013 and Statement of Profit and Loss for the year ended on that date.
Note No.

1 SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation of Financial Statements :

The financial statements have been prepared to comply in all material aspects with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006, relevant provisions of the Companies Act, 1956 and also as per the guidelines for prudential norms prescribed by the Reserve Bank of India. The accounts have been prepared on the historical cost basis and on the principles of going concern.

b) Fixed Assets :

All Fixed Assets are valued at cost less depreciation. An Asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to profit & loss account in the year in which an asset is identified as impaired.

c) Depreciation :

Depreciation on all tangible fixed assets is provided on written down value method in terms of Section 350 of the Companies Act, 1956, at the rates prescribed in Schedule XIV to the said act over their useful life.

d) Investments :

Investments, are readily realisable but intended to be held for more than one year from the date on which such investments are made, are classified as Non Current Investments. All other Investments are classified as current Investments.

Long Term Investments are stated at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an Investment, the difference between its carrying amount and net disposal proceeds is charged to the statement of profit and loss.

e) Recognition of Income and Expenditure :

i) Revenue is recognised and reported to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

ii) Interest Income is recognised as and when the same has accrued on time proportion basis and company's right to receive interest is established.

iii) Dividend Income is recognised when the same is received by the company.

f) Employee Retirement & Other Benefits

i) Short term employees benefits are recognised in the period in which employees's services are rendered.

ii) Leave Encashment

Leave Encashment benefit is considered and provided for, based on actual as at the financial year.

g) Income Taxes

Deferred Income Taxes reflect the impact of the timing differences between taxable income and the accounting income originating during the current year and reversal of timing differences for the earlier years.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax Assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

h) Earnings Per Share (EPS)

Basic EPS are calculated by dividing the net profit or loss for the period attributable to the equity share holders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

Notes on Financial Statements for the Year ended 31st March 2013

Particulars	As at 31.03.2013		As at 31.03.2012	
	₹ (lacs)	₹ (lacs)	₹ (lacs)	₹ (lacs)
2 SHARE CAPITAL				
Authorised				
30,00,000 Equity Shares of ₹ 10/- each		300.00		300.00
Issued, Subscribed & Paid Up				
20,00,000 Equity Shares of ₹ 10/- each, fully paid up in cash.		200.00		200.00
(Prev.Yr:20,00,000 Equity Shares of ₹ 10/- each)		200.00		200.00
Reconciliation of Equity Share of the company:				
Issued, Subscribed & Paid up:				
Number of Equity Shares at the beginning of the year		2,000,000		2,000,000
Closing (Number)		2,000,000		2,000,000
Details of Shareholder holding more than 5% of paid up Equity Share Capital:	% of holding	No. of Shares	% of holding	No. of Shares
BNK Capital Markets Ltd.	52.00	1,050,000	52.00	1,050,000
BNK Securities Pvt.Ltd.	48.00	95,000	48.00	95,000
3 RESERVES & SURPLUS				
Balance Brought Forward	(120.09)		(120.49)	
Add: Adjustment against earlier year	(9.14)			
Add: Profit for the year	0.88	(128.34)	0.40	(120.09)
		(128.34)		(120.09)
4 CURRENT LIABILITIES				
(a) Short-term borrowings				
Unsecured				
Bank Overdraft	-	-	1.57	1.57
(b) Trade Payables				
Trade Payables	-	-	10.18	10.18
(c) Other Current Liabilities for Expenses	0.04	0.04	0.06	0.06
(d) Short Term Provisions				
Provision for Income Tax	0.23	0.23	0.94	0.94
5 NON CURRENT ASSETS				
(a) Tangible Assets				
Gross Amount				
Opening Balance B/F	2.68		2.68	
Additions during the Year	-		-	
Sale/Adjustment during the Year	-	2.68	-	2.68
Less: Depreciation				
Opening Balance B/F	2.60		2.55	
Additions during the Year	0.03		0.05	
Reversal/Adjustment during the Year	-	(2.63)	-	2.60
Net Amount		0.05		0.08

Fixed Assets

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As On 01.04.2012	Adjustment /Sale during the year	As On 31.03.2013	As On 01.04.2012	Adjustment /Sale during the year	Addition during the year	As On 31.03.2013	As On 31.03.2013	As On 31.03.2012
TANGIBLE ASSETS									
Computer	2.68	-	2.68	2.60	0.03		2.63	0.05	0.08
Total	2.68	-	2.68	2.60	0.03		2.63	0.05	0.08
Previous Year	2.68	-	2.68	2.55	0.05	-	2.60	0.08	0.13

Notes on Financial Statements for the Year ended 31st March 2013

b) Non Current Investments

(b) (i) Investments (at cost, Long term, Other than trade)

<u>Shares & securities, Quoted</u>	<u>F.V</u>	<u>Quantity</u>	<u>Amount</u>	<u>Quantity</u>	<u>Amount</u>
Jayshree Nirman Ltd.	10.00	46,000	6.23	46,000	6.23
Marksans Pharma Ltd.	10.00	50,000	11.56	50,000	11.56
Mcnally Bharat Ltd.	10.00	11,781	23.94	11,781	23.94
RPG Life Science Ltd.	10.00	47,202	38.90	47,202	38.90
Summit Securities Ltd.	10.00	1,685	3.78	1,685	3.78
			<u>84.40</u>		<u>84.40</u>
Aggregate market Value of quoted shares			46.64		48.85
			<u>46.64</u>		<u>48.85</u>

6 CURRENT ASSETS

(a) Trade Receivables

Unsecured, Considered Good

Trade Receivables outstanding for a period less than Six months	0.04	0.04	0.22	0.22
Others				
		<u>0.04</u>		<u>0.22</u>

(b) Cash & Cash Equivalents

(i) Balances with banks

in Current Accounts

(ii) Cash in hand

5.21	5.21	18.21	18.21
0.14	0.14	0.20	0.20
	<u>5.35</u>		<u>18.41</u>

(c) Short Term Loans & Advances
(unsecured, considered good)

(i) Deposit with Exchange

(ii) Fixed Deposit with Exchange

47.71		54.01	
17.50	<u>65.21</u>	17.50	<u>71.51</u>
	<u>65.21</u>		<u>71.51</u>

(d) Other Current Assets

Advance Tax Paid

Tax Deducted at Source

Service Tax

-		0.78	
0.15		0.76	
0.74		0.50	
	<u>0.89</u>		<u>2.04</u>

7 REVENUE FROM OPERATIONS

Interest Income

Profit in Commodities Trading

Brokerage Income

1.61		1.43	
2.01		-	
3.34		3.28	
	<u>6.96</u>		<u>4.71</u>

8 OTHER INCOME

Dividend Received

0.50		0.99	
	<u>0.50</u>		<u>0.99</u>

9 Finance Costs

Interest Paid

-		0.01	
	<u>-</u>		<u>0.01</u>

Notes on Financial Statements for the Year ended 31st March 2013

10 OTHER EXPENSES

(a) Operational Expenses

Loss in Commodities Trading	-	2.04
	-	2.04

(b) Administrative & Other Expenses

Demat Charges	0.34	0.42
General Charges	0.10	0.01
Travelling Expenses	0.01	0.01
Bank Charges	0.00	0.00
Rent Rates & Taxes	0.02	0.02
Listing & Filing Fees	0.53	0.04
Auditors Remuneration	0.03	0.03
Printing & Stationery	0.01	-
Professional Fee	0.21	0.18
Telephone & Lease Line Charges	2.13	0.26
Membership & Subscriptions	1.50	0.86
Transaction & Misc. Charges	0.40	0.98
	5.29	2.81

11 In the opinion of the board of directors, all current assets, loans & advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

12 Loan and advances given to parties are receivable on demand.

13 Based on information available with the company, there are no clients/creditors who are registered under Micro, Small and Medium Enterprises Development Act, 2006.

14 There is no small scale industrial undertaking to whom the company owes amounts outstanding for more than 30 days as at 31st March, 2013.

15 Tax Deducted at Source will be adjusted by the company on the completion of assessment of the income for the year by the Income Tax Department.

16 In accordance with the revised Accounting Standard AS-15, i.e. Employee Benefits, the company has recognised the short term employee benefits accordingly paid for the services rendered by the employee for that period. Long term benefits are not payable to the employee of the company, as the company is not under any statutory obligation as well as contractual obligation.

17 Related party disclosures in accordance with the Accounting Standard-18 issued by the Institute of Chartered Accountants of India: List of related parties Transactions during the year with them

i) BNK Securities Pvt.Ltd.	Nil
ii) BNK Comdex DMCC	Nil
iii) Abacus Fund Services Pvt.Ltd.	Nil
iv) Patrex Vyappar Ltd.	Nil
v) In Media Computer Services LLP	Nil

18 Earnings Per share

<u>Particulars</u>	<u>As At 31.03.2013</u>	<u>As At 31.03.2012</u>
Profit After Tax	0.88	0.40
Weighted average Number of Equity Shares outstanding	2,000,000	2,000,000
Face Value of Share	10	10
Basic & Diluted Earnings Per Share	0.04	0.02

R.BHATTACHARYA & ASSOCIATES

Chartered Accountants
Firm Registration.No. 307124E

ON BEHALF OF THE BOARD

R. S. Khandelwal
Director

A. Khandelwal
Director

S. Khandelwal
Director

CA. R. Bhattacharya

Proprietor
Membership No.12394
7B Panchanantala Road
Kolkata- 700029

Kolkata, May 22th, 2013.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	For the year ended 31.03.2013 ` (lacs)	For the year ended 31.03.2012 ` (lacs)
A. CASH FLOW FROM THE OPERATING ACTIVITIES		
Net Profit before Tax from Continuing Operations	1.72	0.40
Non Cash Adjustments to reconcile net cash flow		
Adjustments for :		
Depreciation & Amortisation	0.03	0.05
Profit/(Loss) on Non Current Investment	-	-
Dividend Received	(0.50)	(0.99)
Interest Received	(1.61)	(1.43)
Interest Expenses	-	0.01
Operating Profit before Working Capital changes	(0.36)	(1.96)
Adjustments for :		
Trade & other Receivable	0.19	(0.17)
Trade payable	(10.20)	(23.18)
Cash generated from operations	(10.38)	(25.32)
Direct taxes Paid	(10.68)	-
Cash Flow before extraordinary items	(21.06)	(25.32)
Extra Ordinary Items	-	-
Net Cash Used in Operating Activities	(21.06)	(25.32)
B CASH FLOW FROM THE INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	-
Sale of Fixed Assets	-	-
Purchase of Investment	-	-
Sale of Investment	-	-
Dividend Received	0.50	0.99
Net Cash Used in Investing Activities	0.50	0.99
C CASH FLOW FROM THE FINANCING ACTIVITIES		
Proceed from issue of Share Capital	-	26.00
Share Premium	-	-
Proceed from Long / Short Term Borrowings	(1.57)	(1.09)
Interest paid	-	(0.01)
Loan Given/Refund Received	7.46	9.57
Interest Received	1.61	1.43
Net Cash Flow from Financial Activities	7.50	35.90
D Net Increase/(Decrease) in Cash & Cash Equivalent	(13.06)	11.57
Cash & Cash Equivalent (Opening)	18.41	6.85
Cash & Cash Equivalent (Closing)	5.35	18.41

Note : a) Previous years figures have been regrouped/rearranged wherever considered necessary.

R.BHATTACHARYA & ASSOCIATES

Chartered Accountants
Firm Registration.No. 307124E

CA. R. Bhattacharya

Proprietor
Membership No.12394
7B Panchanantala Road
Kolkata- 700029

Kolkata, May 22th, 2013.

ON BEHALF OF THE BOARD

R. S. Khandelwal
Director

A. Khandelwal
Director

S. Khandelwal
Director

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of BNK Capital Markets Limited.

We have audited the accompanying consolidated financial statements of BNK Capital Markets Ltd ("the Company") and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- in the case of the consolidated Profit and Loss Account, of the profit for the year ended on that date; and
- in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Kolkata
May, 28, 2013

For R. BHATTACHARYA & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration No-307124E
CA. R. BHATTACHARYA
Proprietor
Membership No. - 12394

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2013

Particulars	Note No	As at 31.03.2013		As at 31.03.2012	
		(lacs)	(lacs)	(lacs)	(lacs)
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	2	1,000.00		1,000.00	
(b) Reserves and Surplus	3	<u>2,932.46</u>	3,932.46	<u>2,731.56</u>	3,731.56
(2) Share application money pending allotment			84.00		84.00
(3) Minority Interest			95.00		95.00
(4) Current Liabilities					
(a) Short-Term Borrowings	4(a)	2,642.04		2,588.70	
(b) Trade Payables	4(b)	-		14.29	
(c) Other Current Liabilities	4(c)	1.77		2.82	
(d) Short-Term Provisions	4(d)	<u>245.66</u>	<u>2,889.47</u>	<u>245.40</u>	<u>2,851.21</u>
Total			<u>7,000.93</u>		<u>6,761.76</u>
II. ASSETS					
(1) Non-Current Assets					
(a) Fixed Assets					
Tangible Assets	5(a)	<u>28.36</u>	28.36	<u>31.18</u>	31.18
(b) Non-Current Investments	5(b)	3,438.55		3,305.38	
(c) Long Term Loans and Advances	5(c)	77.79		89.64	
(d) Deferred Tax Assets (Net)	5(d)	<u>1.40</u>	3,517.74	<u>0.92</u>	3,395.94
(2) Current Assets					
(a) Current Investments	6(a)	-		25.96	
(b) Inventories	26	12.55		262.55	
(c) Trade Receivables	6(b)	12.10		1.77	
(d) Cash and Cash Equivalents	6(c)	574.25		556.38	
(e) Short-Term Loans and Advances	6(d)	2,514.28		2,203.71	
(f) Other Current Assets	6(e)	<u>341.66</u>	<u>3,454.83</u>	<u>284.27</u>	<u>3,334.64</u>
Total			<u>7,000.93</u>		<u>6,761.76</u>

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Firm Registration.No. 307124E

CA. R. Bhattacharya

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Membership No.12394
7B Panchanantala Road
Kolkata- 700029

Kolkata, May 28th, 2013.

ON BEHALF OF THE BOARD

R. S. Khandelwal
Director

A. Khandelwal
Director

S. Khandelwal
Director

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2013

Particulars	Note No	As at 31.03.2013		As at 31.03.2012	
		`(lacs)	`(lacs)	`(lacs)	`(lacs)
I. INCOME					
Revenue from Operations	8		836.55		12,998.98
Other Income	9		<u>211.44</u>		<u>232.57</u>
II. Total Revenue			<u>1,047.99</u>		<u>13,231.55</u>
III. EXPENSES:					
Purchase of Stock-in-Trade			264.43		12,439.14
Changes in Inventories of Stock-in-Trade			250.00		249.43
Employee benefits expense			81.85		69.57
Finance costs	10		57.49		28.19
Depreciation and amortization expense			8.28		9.19
Other expenses	11		<u>81.58</u>		<u>118.14</u>
IV. Total Expenses			<u>743.64</u>		<u>12,913.66</u>
V. Profit Before Tax			<u>304.35</u>		<u>317.89</u>
VI. Tax Expense:					
(1) Current Tax			(36.68)		34.05
(2) Deferred Tax			<u>0.48</u>		<u>(0.48)</u>
VII. Profit(Loss) for the Period	(IV-V)		<u>-</u>		<u>268.15</u>
VIII. Earnings Per Equity Share:			<u>2.68</u>		<u>2.97</u>
(1) Basic and Diluted (in Rs.)					

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Kolkata- 700029

Kolkata, May 28th, 2013.

ON BEHALF OF THE BOARD

R. S. Khandelwal
Director

A. Khandelwal
Director

S. Khandelwal
Director

Notes Annexed to and forming part of Accounts

Notes on Accounts and Significant Accounting Policies forming to and part of Balance Sheet as at 31st March,2013 and Statement of Profit and Loss for the year ended on that date.

Note No.

1 SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation of Financial Statements :

The financial statements have been prepared to comply in all material aspects with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006, relevant provisions of the Companies Act, 1956 and also as per the guidelines for prudential norms prescribed by the Reserve Bank of India. The accounts have been prepared on the historical cost basis and on the principles of going concern.

b) Fixed Assets :

All Fixed Assets are valued at cost less depreciation. An Asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to profit & loss account in the year in which an asset is identified as impaired.

c) Depreciation :

Depreciation on all tangible fixed assets is provided on written down value method in terms of Section 350 of the Companies Act, 1956, at the rates prescribed in Schedule XIV to the said act over their useful life.

d) Investments :

Investments, are readily realisable but intended to be held for more than one year from the date on which such investments are made, are classified as Non Current Investments. All other Investments are classified as current Investments.

Long Term Investments are stated at cost.

On disposal of an Investment, the difference between its carrying amount and net disposal proceeds is charged to the statement of profit and loss.

e) Recognition of Income and Expenditure :

i) Revenue is recognised and reported to the extent it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

ii) Interest Income is recognised as and when the same has accrued on time proportion basis and company's right to receive interest is established

iii) Dividend Income is recognised when the same is received by the company

f) Employee Retirement & Other Benefits

i) Short term employees benefits are recognised in the period in which employees's services are rendered.

ii) Leave Encashment

Leave Encashment benefit is considered and provided for, based on actual as at the financial year.

g) Income Taxes

Deferred Income Taxes reflect the impact of the timing differences between taxable income and the accounting income originating during the current year and reversal of timing differences for the earlier years.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax Assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such differed tax assets can be realised.

Minimum Alternate Tax (MAT) in accordance with the provisions of sec.115JB of the income tax act,1961 is not applicable to the company for the year under audit.

h) Earnings Per Share (EPS)

Basic EPS are calculated by dividing the net profit or loss for the period attributable to the equity share holders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

Consolidated Notes on Financial Statements for the Year ended 31st March 2013

Particulars	As at 31.03.2013		As at 31.03.2012	
	(lacs)	(lacs)	(lacs)	(lacs)
5 NON CURRENT ASSETS				
(a) <u>Tangible Assets</u>				
Gross Amount				
Opening Balance B/F	63.16		47.97	
Additions during the Year	5.46		15.19	
Sale/Adjustment during the Year	-	68.62	-	63.16
Less: Depreciation				
Opening Balance B/F	31.98		22.79	
Additions during the Year	8.28		9.19	
Reversal/Adjustment during the Year	-	(40.26)	-	(31.98)
Net Amount		<u>28.36</u>		<u>31.18</u>
Itemwise details of Fixed Assets and Depreciation Notes on Accounts No.5 of BNK Capital Markets Ltd. & BNK Commodites (P)Ltd.				
(b) <u>Non Current Investments</u>				
In quoted Equity Shares, at cost		2,852.55		2,710.33
In unquoted Equity Shares, at cost		586.00		595.05
		<u>3,438.55</u>		<u>3,305.38</u>
Itemwise details of Non Current Investments Notes on Accounts No.5 of BNK Capital Markets Ltd. & BNK Commodites (P)Ltd.				
(c) Long term Loans & Advances				
Loans				
Security Deposit		77.79		89.64
		<u>77.79</u>		<u>89.64</u>
(e) Other Non Current Assets				
Deferred tax assets (Net)		1.40		0.92
		<u>1.40</u>		<u>0.92</u>
6 CURRENTASSETS				
(a) <u>Current Investments</u>				
In Debenture at cost		-		25.96
		<u>-</u>		<u>25.96</u>
Itemwise details of Debentures Notes on Accounts No.6 of BNK Capital Markets Ltd.				
(b) Trade Receivables				
Unsecured, Considered Good				
Trade Receivables outstanding for a period less than Six months	12.10		1.77	
Others	-		-	
Less: Receivable for more than one year	-	12.10	-	1.77
		<u>12.10</u>		<u>1.77</u>
(c) <u>Cash & Cash Equivalents</u>				
(i) Balances with banks in Current Accounts		89.47		107.32
(ii) Cash in hand	-	0.65		1.02
(iii) Fixed Deposit with Bank		484.13		448.04
		<u>574.25</u>		<u>556.38</u>
(d) <u>Short Term Loans & Advances</u> (unsecured, considered good)				
(i) Loan Given	2,221.93		1,641.54	
Less: Receivable for more than one year	-	2,221.93	-	1,641.54
(ii) Loans & Advances to Related Parties		291.50		562.17
(iii) Staff Advance		0.85		-
		<u>2,514.28</u>		<u>2,203.71</u>
(e) <u>Other Current Assets</u>				
Prepaid Expenses		0.83		0.74
Share Applications pending allotment with Subcidiary		56.00		56.00
Income Tax Installment		13.00		
Advance Tax paid		139.74		125.45
Tax Deducted at source		128.02		98.78
Service Tax		4.07		3.30
		<u>341.66</u>		<u>284.27</u>
7 REVENUE FROM OPERATIONS				
Interest income		318.60		235.61
Sale Of Bonds		512.60		12,760.09
Brokerage Income		3.34		3.28
Profit from Commodities Trading		2.01		-
		<u>836.55</u>		<u>12,998.98</u>
8 OTHER INCOME				
Dividend Received		192.23		163.92
Profit on Sale of Non Current Investments		19.11		68.15
Misc. Receipts		0.10		0.50
		<u>211.44</u>		<u>232.57</u>

Consolidated Notes on Financial Statements for the Year ended 31st March 2013

Particulars	As at 31.03.2013		As at 31.03.2012	
	₹ (lacs)	₹ (lacs)	₹ (lacs)	₹ (lacs)
9 Finance Costs				
Interest Paid		57.49		28.19
on Bank Overdraft	33.72		13.23	
on Loan	23.77		14.95	
others	-		0.01	
		<u>57.49</u>		<u>28.19</u>
10 OTHER EXPENSES				
(a) Operational Expenses				
Purchases (bonds)		263.02		12,435.18
Loss in Commodity Trading		-		2.04
Security Transaction Tax		1.41		1.92
		<u>264.43</u>		<u>12,439.14</u>
(b) Administrative & Other Expenses				
Director's Remuneration & Sitting Fees		15.08		13.16
Business Promotion Expenses		5.60		7.78
Demat Charges		0.90		1.37
General Charges		3.51		2.75
Guest House Expenses		8.75		6.30
Motor Car Expenses		5.59		5.06
Travelling Expenses		11.34		10.97
Bank Charges		0.06		0.77
Rent Rates & Taxes		8.16		12.42
Legal Expenses		0.10		2.27
Listing & Filing Fees		0.99		3.14
Auditors Remuneration				
For Audit Fees	0.12		0.12	
For Tax Audit Fees	0.02		0.02	
Other Matters	0.10	0.24	0.10	0.24
Printing & Stationery		1.88		1.32
Professional Fee		2.52		28.11
Telephone Expenses		3.77		5.46
Electric Charges		3.85		3.40
Meeting & conference Expenses		1.53		2.44
Membership & Subscriptions		1.79		1.50
Notice & Publication		0.21		0.22
Postage & Telegram		0.70		1.10
Repair & Maintenance		1.21		1.84
Transactin & Misc.Charges		0.40		0.98
Website Maintenance		3.40		5.53
		<u>81.58</u>		<u>118.14</u>

- 11 The Company is an Non Deposit accepting 'Non Banking Finance Company' having registration number B-05.02574 dated 09.12.2004 allotted by Reserve bank of India.
- 12 The Board of Directors of the Company has passed a resolution for Non - acceptance of public deposit and consequently the company has not accepted any public deposit during the year under audit.
- 13 The company has complied with the prudential norms relating to income recognition, accounting standards and assets classification as applicable to it.
- 14 The company has appropriated during the year to Statutory Reserve Fund as per guidelines issued by the Reserve Bank of India for Non Banking Finance Companies in terms of Section 45(IC) of Reserve Bank of India Act, 1934.
- 15 The company under the provisions of Non Banking (Non Deposit Accepting or Holding) Companies Prudential Norms(Reserve Bank) Directions, 2007 has not made provision for standard assets of Trade Receivables @ 0.25% of the outstanding as on 31.03.2013, since the amount of provision is not material for consideration.
- 16 In the opinion of the board of directors, all current assets, loans & advances have a value on realisation in the ordinary course of business atleast equal to the amount at which they are stated.
- 17 Unsecured Loans due to parties are repayable on demand.
- 18 Based on information available with the company, there are no clients/creditors who are registered under Micro, Small and Medium Enterprises Development Act, 2006.
- 19 There is no small scale industrial undertaking to whom the company owes amounts outstanding for more than 30 days as at 31st March,2013.
- 20 Advance Tax paid and Tax Deducted at Source will be adjusted by the company on the completion of assessment of the income for the year by the Income Tax Department.
- 21 In accordance with the revised Accounting Standard AS-15, i.e. Employee Benefits, the company has recognised the short term employee benefits accordingly paid for the services rendered by the employees for that period. Long term benefits are not payable to the employees of the company, as the company is not under any statutory obligation as well as contractual obligation.
- 22 The company considers its operation of NBFC activities as single segment and as such Accounting Standard AS-17 'Segment Reporting' issued by ICAI is not applicable to the company.

Consolidated Notes on Financial Statements for the Year ended 31st March 2013

23	Claims against the Company not acknowledged as debt.			
S. No.	Nature	Assessment Year	(in lacs)	Forum where dispute is pending
1.	Income Tax	2004-05	43.49	ITAT
2.	Income Tax	2006-07	241.13	ITAT
3.	Income Tax	2008-09	38.11	ITAT
4.	Income Tax	2010-11	10.17	CIT-XXII(A)
24	Related party disclosures in accordance with the Accounting Standard - 18 issued by the Institute of Chartered			
	List of related parties and description of relationship:			
a)	Key Management Personnel			
	Mr.Ajit Khandelwal		Managing Director	
b)	Associate / Group Companies			
1.	Subsidiary Company			
	i) BNK Commodities Pvt. Ltd			
2.	Associates			
	i) BNK Securities Pvt.Ltd.			
	ii) BNK Comdex DMCC			
	iii) Abacus Fund Services Pvt.Ltd.			
	iv) Patrex Vyappar Pvt.Ltd.			
	v) In Media Computer Services LLP			
	Transactions during the year with related parties:		Year ended 31.03.2013	Year ended 31.03.2012
A.	Key management Personnel			
	Remuneration Paid		14.70	12.87
	Balance at year end:		14.70	12.87
C.	Associates / Group Companies		-	-
	Rent Paid		1.08	1.08
	Securities Purchase		630.84	450.35
	Securities Sale		505.62	763.94
	Loan Given		996.66	1,154.94
	Loan Refund		1,267.31	1,364.69
	Interest Received		40.11	49.60
	Balance at year end:		291.51	562.16
25	Earnings Per share			
			As at 31.03.2013	As at 31.03.2012
	Profit After Tax		268.15	284.32
	Weighted average Number of Equity Shares outstanding		10,000,000	9,583,333
	Face Value of Share		10	10
	Basic & Diluted Earnings Per Share		2.68	2.97
26	The Company has adopted Accounting Standard AS-22 'Accounting for taxes on Income' issued by ICAI. The Company has no deferred tax liability arising out of timing difference as on 31.03.2013. However, Deferred Tax assets have been recognised subject to the consideration of prudence in respect of DTA, on timing difference being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.			
27	The details of traded securities purchased & sold during the year:			
	Particulars	As at 31.03.2013	As at 31.03.2012	
		Quantity	Quantity	
	<u>Opening Stock</u>			
	Bonds	46 262.55	71 511.99	
	<u>Purchases</u>			
	Bonds	358 263.02	43,638 12,435.18	
	<u>Sales</u>			
	Bonds	383 513.02	43,663 12,684.62	
	<u>Closing stock</u>			
	Bonds	21 12.55	46.00 262.55	
28	Reserve bank of India vide Notification No. DNBS.167/CGN(OPA)-2003 dt. March 29, 2003 has directed that every NBFC shall append to its Balance Sheet prescribed under the Companies Act, 1956, the particulars in the format as set out in the Appendix 2.			
		As at 31.03.2013	As at 31.03.2012	
29	Value of imports calculated on C.I.F basis by the company during the Financial Year		Nil	Nil
30	Expenditure in foreign currency during the Financial Year		\$2,000	\$218
31	The amount remitted during the year in foreign currency on account of dividends		Nil	Nil
32	Earning in foreign exchanges on account of interest and dividend & other income		Nil	Nil

R.BHATTACHARYA & ASSOCIATES

Chartered Accountants

Firm Registration.No. 307124E

CA. R. Bhattacharya

Proprietor

Membership No.12394

7B Panchanantala Road

Kolkata- 700029

Kolkata, May 28th, 2013

ON BEHALF OF THE BOARD

R. S. Khandelwal
Director

A. Khandelwal
Director

S. Khandelwal
Director

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	For the year ended 31.03.2013 <u>₹ (lacs)</u>	For the year ended 31.03.2012 <u>₹ (lacs)</u>
A. CASH FLOW FROM THE OPERATING ACTIVITIES		
Net Profit before Tax from Continuing Operations	304.35	317.89
<u>Non Cash Adjustments to reconcile net cash flow</u>		
<u>Adjustments for :</u>		
Depreciation & Amortisation	8.28	9.19
Preliminary Expenses written off	-	-
Profit/(Loss) on Non Current Investment	(19.11)	(68.15)
Dividend Received	(192.23)	(163.92)
Income from Mutual fund	-	-
Interest Received	(318.60)	(235.61)
Interest Expenses	57.49	28.19
Operating Profit before Working Capital changes	(159.82)	(112.41)
Adjustments for :		
Trade & other Receivable	(10.33)	(112.87)
Inventories	(250.00)	(249.44)
Other Current Assets	58.54	(22.58)
Trade payable	(5.06)	(25.92)
Cash generated from operations	(366.67)	(297.47)
Direct taxes Paid	(45.07)	67.31
Cash Flow before extraordinary items	(411.74)	(230.16)
Extra Ordinary Items	-	-
Net Cash Used in Operating Activities	(479.70)	(230.16)
B CASH FLOW FROM THE INVESTING ACTIVITIES		
Purchase of Fixed Assets	(5.46)	(15.20)
Sale of Fixed Assets	-	-
Purchase of Investment	(165.76)	(91.86)
Sale of Investment	(114.06)	552.62
Dividend Received	192.23	163.92
Net Cash Used in Investing Activities	(93.05)	609.48
C CASH FLOW FROM THE FINANCING ACTIVITIES		
Proceed from issue of Share Capital	-	26.00
Share Premium	-	-
Proceed from Long / Short Term Borrowings	(56.48)	374.56
Interest paid	(57.49)	(28.19)
Loan Given/Refund Received	318.03	(594.06)
Interest Received	318.60	235.61
Net Cash Flow from Financial Activities	522.66	13.92
D Net Increase/(Decrease) in Cash & Cash Equivalent	17.87	393.24
Cash & Cash Equivalent (Opening)	556.38	163.14
Cash & Cash Equivalent (Closing)	574.25	556.38

Note : a) Previous years figures have been regrouped/rearranged wherever considered necessary.

R.BHATTACHARYA & ASSOCIATES

Chartered Accountants
Firm Registration.No. 307124E

CA. R. Bhattacharya

Proprietor
Membership No.12394
7B Panchanantala Road
Kolkata- 700029
Kolkata, May 28th, 2013.

ON BEHALF OF THE BOARD

R. S. Khandelwal
Director

A. Khandelwal
Director

S. Khandelwal
Director

Notes



www.bnkcapiatal.com

BNK CAPITAL MARKETS LTD.

Registered Office : 2 Palm Avenue, Kolkata-700 019

PROXY FORM

Member's Folio No./ DPID & CLID No. No. of Shares

I/We of

in the district of being a Member(s) of BNK CAPITAL MARKETS LTD.

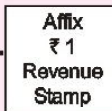
hereby appoint of

or failing him of

as my/our proxy to attend and vote for me/us, on my/our behalf at the 27th Annual General Meeting of the Company to be held on Saturday 31st August 2013, at 11.30 a.m. at 'Mayfair Towers' Ground Floor, 2, Palm Avenue, Kolkata-700 019, or any adjournment thereof.

Signed this day of2013.

Signature



Note :

- 1) The Proxy Form must reach at the Registered Office of the Company not less than 48 hours before the time of holding the Meeting.
- 2) The form should be signed across the stamp as per the specimen signature registered with the Company.
- 3) A proxy need not be a Member of the Company.



www.bnkcapiatal.com

BNK CAPITAL MARKETS LTD.

Registered Office : 2 Palm Avenue, Kolkata-700 019

ATTENDANCE SLIP

27th Annual General Meeting on Saturday 31st August 2013

Member's Folio No./ DPID & CLID No. No. of Shares

Mr. / Mrs. / Miss

(Member's Name in BLOCK LETTERS)

I certify that I am Registered Member / Proxy (for the above-named registered Member of the Company) I hereby record my presence at the 27th Annual General Meeting of the Company to be held on Saturday 31st August 2013, at 11.30 a.m. at 'Mayfair Towers' Ground Floor, 2, Palm Avenue, Kolkata-700 019.

Name of Proxy in Block Letters
(If applicable)

Member's / Proxy's Signature

Note :

- 1) Members / Proxy holders are requested to bring this Attendance Slip with them when they come to the meeting and hand it over at the gate after affixing their signature on it. Duplicate attendance slips will not be issued at the Meeting.
- 2) Members / Proxy holders are requested to bring their copy of the Annual Report with them for the Meeting.

PRINTED MATTER - BOOK POST

To,



BNK CAPITAL

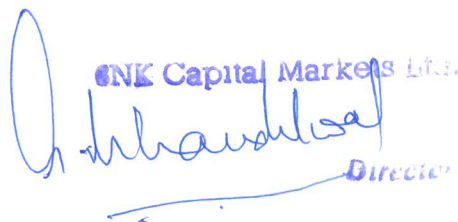


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If undelivered, please return to :
CB Management Services (P) Limited
P-22, Bondel Road
Kolkata - 700 019.

FORM A

Format of Covering letter of the annual audit report to be filed with Stock Exchanges (pursuant to SEBI Circular No. CIR/CFD/DIL /7/2012 dt.13.08.2012)

1	Name of the Company	BNK Capital Markets Limited
2	Annual financial statements for the year ended	31 st March 2013
3	Type of Audit observation	Un-qualified
4	Frequency of observation	N.A
5	Signatories	Signatures
	Managing Director	 <p>BNK Capital Markets Ltd. Director</p>
	Statutory Auditors	<p>For R. BHATTACHARYA & ASSOCIATES Chartered Accountants</p>  <p>(R. Bhattacharya) Proprietor MRN: 12394</p>
	Chairman- Audit Committee	<p>BNK Capital Markets Ltd.</p>  <p>Director</p>