

DURGESH MERCHANTS LIMITED

ANNUAL REPORT

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DURGESH MERCHANTS LIMITED

Registered office : 146D Bhai Randhir Singh Nagar Ludhiana

NOTICE

NOTICE is hereby given that the 26th Annual General Meeting of the member of DURGESH MERCHANTS LIMITED will be held on Tuesday, the 25th day of September, 2012 at 11.00 a.m. in the premises of Regd. Office of the company at 146D Bhai Randhir Singh Nagar Ludhiana to transact the following business: -,

AGENDA

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2012 and profit & loss account for the year ended on that date together with the reports of the Directors' and Auditor's thereon.
2. To appoint M/s S.C..Garg & Associates, Chartered Accountants, the retiring Auditors of the Company, who shall hold office from the conclusion of this Annual General meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.
3. To appoint a Director in place of Mr R.P.Garg who retires by rotation and eligible, offers himself for re-appointment.

**BY THE ORDER OF THE BOARD
FOR DURGESH MERCHANTS LIMITED**

Place: New Delhi
Dated: 29.08.2012

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R.P.Garg
(Director)

1. All the members entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead and vote instead of himself. Proxy need not be a member of the company.

- (b) The instrument appointing a proxy should deposited/ reached at the registered office of the company, not later than 48 hours before the commencement of the meeting.
- (c) Member(s) desiring any information/ explanations on Accounts are requested to inform the Company at least one week before the meeting so as to enable the management to keep the information ready. Replies will be provided only at Annual General Meeting.
- (d) Members/ Proxies should bring the attendance slip, duly filled in to attend the Annual General Meeting.
- (f) The Register of members and Share Transfer book will remain closed on 25th day of September, 2012.

DURGESH MERCHANTS LIMITED LUDHINA
Registered Office:146D BHI RANDHIR SINGH NAGAR LUDHIANA
DIRECTORS' REPORT

To
The Members,

Your Directors have great pleasure in presenting the 28th Annual Report and The Audited Accounts of the Company for the year ended 31st March, 2012, together with the Auditor's Report thereon.

FINANCIAL RESULTS	<u>31.03.2012</u>	<u>31.03.2011</u>
Operating loss/profit	5,220.00	4,563.92
Add: Depn Less : Provision for depreciation		
Less : Deferred Tax Liability		
Profit & Loss After Tax	5,220.00	4,563.92

DIVIDEND

No dividendis being recommended during the year

DIRECTORS

Mr R.P.Garg director of the company retire by rotation at 26th annual general meeting and eligible offer him self for reappointment.

PUBLIC DEPOSITS

Your Company has not accepted any public deposits during the year and there is no deposit, which has matured, or remaining unclaimed at the end of the financial year.

PARTICULARS OF EMPLOYEES

During the year there is no employee who is in receipt of remuneration exceeding the limits specified under Section 217 (2A) of the companies Act, 1956, read with companies (Particulars of the Employees) Rules 1975, as amended..

DIRECTOR'S RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956 (AMENDMENT) ACT, 2008

- a. That in the preparation of the Annual Accounts for the financial year ended 31st March, 2012, the applicable Accounting Standards had been followed alongwith proper explanation relating to material departures;
- b. That the Directors have selected such accounting policies and applied them consistently and made judgements 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 and of the profit or loss of the company for that period;
- c. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the companies Act, 1956, for safeguarding the Assets of the company and for preventing and detecting fraud and other irregularities;
- d. That the Directors have prepared the Annual accounts for the financial year ended 31st March, 2012, on a going concern basis.

COMPLIANCE CERTIFICATE

Compliance certificate in terms of Section 383A of the companies Act, 1956, from Company Secretary in whole time practice is enclosed which is self explanatory.

AUDITOR'S REPORT

The Members,

DURGESH MERCHANTS LIMITED

We have audited the Balance Sheet of Durgesh Merchants Limited as at 31st March 2012, and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An Audit also includes assessing the accounting Principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. Government of India The Companies (Auditors' Report) (amendment) Order, 2004 notified by the Central, in the Department of Company Affairs (vide Notification No. G.S.R. 766 (E) dated 25.11.2004 in terms of sub - section (4A) of section 227 of the Companies Act, 1956 (1 of 1956), is not applicable to the company, hence we are unable to express any opinion on the matter specify there in.
2. Further to our comments in the Annexure referred to above, 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 these books;
 - (c) The Balance Sheet & Profit & Loss A/c dealt with by this report are in agreement with the books of account;
 - (d) The company has not provided depreciation on the Fixed assets comprising Flat at Delhi In our opinion, subject to the diminishing in the value of the stock in trade held as on 31.3.2012 for which no provision has been made. the Balance Sheet and Profit & Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of Companies Act, 1956;

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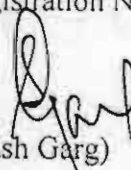


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- (e) On the basis of written representative received from the Directors, as on 31.3.2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31.3.2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (f) In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 1956, 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 31.3.2012; and
- b. in the case of the Profit and Loss Account, profit for the year ended on that date
3. As required by the Reserve Bank of India Act and NBFC Auditor's Report (RB) Directions 1998, applicable to non banking finance companies we hereby report that:
- i. The Company has obtained a certificate of registration from the Reserve Bank of India.
- ii. The board of Directors has passed a resolution for the non - acceptance of any public deposits.
- (iii) The company has not accepted any public deposits during the year.
- (iv) The company has complied with the prudential norms relating to income recognition, as applicable to it.

Dated: 29.08.2012
Place: New Delhi.

For S.C.GARG & ASSOCIATES
Chartered Accountants
Firm Registration Number: 006873N


(Subhash Garg)
Partner



DURGESH MERCHANTS LIMITED LUDHINA

BALANCE SHEET AS AT 31.3.2012

PARTICULARS	SCH.	AS AT 31.03.2012	AS AT 31.03.2011
I. EQUITY AND LIABILITIES			
A. SHARE HOLDERS FUNDS			
(i) SHARE CAPITAL	A	4,960,000.00	4,960,000.00
(ii) RESERVE & SURPLUS	B	(33,568.43)	(38,788.43)
B. NON CURRENT LIABILITIES			
(i) LONG TERM BORROWING			
(ii) LONG TERM PROVISION			
C. CURRENT LIABILITIES			
(i) SHORT TERM BORROWING			
(ii) TRADE PAYABLE	C	2,200.00	1,100.00
(iii) OTHER CURRENT LIABILITIES			
(iv) SHORT TERM PROVISIONS	D	3,656.00	3,656.00
TOTAL		<u>4,932,287.57</u>	<u>4,925,967.57</u>
II. ASSETS			
A. NON CURRENT ASSETS			
(i). FIXED ASSETS			
TANGIBLE ASSETS			
Flat		1,869,500.00	1,869,500.00
(ii) NON CURRENT INVESTMENTS			
(iii) DEFERRED TAX ASSETS (NRT)			
LONG TERM LOANS AND ADVANCES			
(v). OTHER NON CURRENT ASSETS			
B. CURRENT ASSETS			
(i) INVENTORIES	E	1,041,562.59	1,041,562.59
(ii) TRADE RECEIVABLE	F	1,078,482.33	1,078,482.33
(iii) CASH AND BANK BALANCES	G	138,546.65	132,226.65
(iv) SHORT TERM LOANS AND ADVANCES	H	804,196.00	804,196.00
(v) OTHER CURRENT ASSETS			
TOTAL		<u>4,932,287.57</u>	<u>4,925,967.57</u>

ACCOUNTING POLICIES & NOTES

AS PER OUR AUDIT REPORT OF EVEN DATE ATTACHED

For S.C. GARG & ASSOCIATES

Chartered Accountants

Firm Registration Number: 006873N

Subhash Garg
Partner



R.P.Garg
Director

Virender Sharma
Director

Dated: 29.08.2012
Place: New Delhi

DURGESH MERCHANTS LIMITED LUDHIANA

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2012

PARTICULARS	SCH.	AS AT 31.03.2012	AS AT 31.03.2011
<u>I. INCOME</u>			
Dividend Income		8,871.00	8,713.92
Closing Stock (At Cost)		1,041,562.59	1,041,562.59
TOTAL		1,050,433.59	1,050,276.51
<u>II. EXPENDITURE</u>			
Opening Stock		1,041,562.59	1,041,562.59
Purchases			
ADMINISTRATIVE & OTHER EXP.			
Filing Fee		1,500.00	1,500.00
Bank Charges		51.00	50.00
Professional Expenses		1,000.00	1,500.00
Auditor's Remuneration		1,100.00	1,100.00
		1,045,213.59	1,045,712.59
PROFIT (LOSS) BEFORE EXTRAORDINARY ITEMS AND TAX (I-II) EXCEPTIONAL ITEMS		5,220.00	4,563.92
Profit on sale of Investment			-
PROFIT (LOSS) BEFORE TAX		5,220.00	4,563.92
PROVISION FOR TAX			-
a. Current Year			
b. Tax for Earlier Years			
c. Deferred Tax			
PROFIT (LOSS) AFTER TAX FOR THE YEAR		5,220.00	4,563.92
EARNING PER SHARE:			
A. BASIC		0.01	0.01
B. DILUTED		0.01	0.01

ACCOUNTING POLICIES & NOTES

Subhash Garg
Partner.



R.P. Garg
Director

Virender Sharma
Director

Dated: 29.08.2012
Place: New Delhi

DURGESH MERCHANTS LIMITED LUDHINA
ANNEXURE TO AND FORMING PART OF BALANCE SHEET

	AS AT 31.03.2012	AS AT 31.03.2011
SCHEDULE 'A' SHARE CAPITAL		
<i>AUTHORISED CAPITAL</i>		
500,000 Equity Share of Rs. 10/- each	5,000,000.00	5,000,000.00
 <i>ISSUED, SUBSCRIBED & PAID UP</i>		
<i>At the beginning of the year</i>		
496,000 Equity Share of Rs. 10/- each fully paid up in cash	4,960,000.00	4,960,000.00
Equity Shares issued during the year	4,960,000.00	4,960,000.00
Disclosure		
1. All the shares carry equal rights and obligations including for dividend and with respect to voting.		
 SCHEDULE 'B' RESERVE & SURPLUS		
<i>Deficiency</i>		
Balance brought forward from previous year	38,788.43	43,352.35
Add: Transfer from Statement of Profit and Loss for the year	5,220.00	4,563.92
	33,568.43	38,788.43
Less: Appropriation		
Balance carried to next year	33,568.43	38,788.43
Total	33,568.43	38,788.43
 CURRENT LIABILITIES		
SCHEDULE 'C' TRADE PAYABLE		
For Goods and services	2,200.00	1,100.00
 OTHER CURRENT LIABILITIES		
 SCHEDULE 'D' SHORT TERM PROVISIONS		
Provision For Taxation	3,656.00	3,656.00
	3,656.00	3,656.00
 NON CURRENT ASSETS		
NON CURRENT INVESTMENT		
 OTHER NON CURRENT ASSETS		

G. B. Singh



DURGESH MERCHANTS LIMITED LUDHINA
ANNEXURE TO AND FORMING PART OF BALANCE SHEET

	<u>AS AT</u> <u>31.03.2012</u>	<u>AS AT</u> <u>31.03.2011</u>
CURRENT ASSETS		
SCHEDULE 'E' INVENTRIES		
Traded Goods	1,041,562.59	1,041,562.59
Stock in hand (At Cost)		
 SCHEDULE 'F'		
TRADE RECEIVABLE		
(Unsecured considered good)		
For a period exceeding Six Months	1,764,482.33	1,764,482.33
Others	1,764,482.33	1,764,482.33
 SCHEDULE 'G'		
CASH AND BANK BALANCES		
- Cash in hand	93,623.15	96,123.15
i in current Account :		
i in current Account	44,923.50	36,103.50
Union Bank of India Delhi	<u>138,546.65</u>	<u>132,226.65</u>
 SCHEDULE 'H'		
SHORT TERM LOANS AND ADVANCES		
Advances recoverable in cash or		
in kind or for value to received	825,000.00	825,000.00
(Unsecured considered good)	686,000.00	686,000.00
(Unsecured considered doubtful)	686,000.00	686,000.00
Less: Provision	79,196.00	79,196.00
Tax At sources & Advance Tax	79,196.00	79,196.00
	<u>904,196.00</u>	<u>904,196.00</u>

R P Sin

