

**DURGESH MERCHANTS LIMITED**

**ANNUAL REPORT**

**2008-2009**

## **DURGESH MERCHANTS LIMITED**

Registered office : 146D Bhai Randhir Singh Nagar Ludhiana

### **NOTICE**

NOTICE is hereby given that the 24th Annual General Meeting of the member of DURGESH MERCHANTS LIMITED will be held on Saturday, the 26th day of September, 2009 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, 2009 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 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: 17.08.2009

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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 26th day of September, 2009.

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

To  
The Members,

Your Directors have great pleasure in presenting the 24th Annual Report and The Audited Accounts of the Company for the year ended 31st March, 2009, together with the Auditor's Report thereon.

FINANCIAL RESULTS	<u>31.03.2009</u>	<u>31.03.2008</u>
Operating loss/profit	(153.96)	5,559.62
Add: Depn Less : Provision for depreciation	23,000.00	21,054.00
Less : Provision for Income Tax		
Less : Deferred Tax Liability		
Profit & Loss After Tax	(23,153.96)	(15,494.38)

**DIVIDEND**

No dividendis being recommended during the year

**DIRECTORS**

Mr R.P.Garg director of the company retire by rotation at 24th 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 (AMENDMENT) ACT, 2000**

- a. That in the preparation of the Annual Accounts for the financial year ended 31st March, 2009, 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, 2009, 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.

## **AUDITORS**

M/s S.C.GARG & ASSOCIATES, Chartered Accountants, retire on conclusion of this Annual General meeting being eligible had furnished their certificate of eligibility U/S 224 (IB) of the companies Act, 1956, for being reappointed.

## **ACKNOWLEDGEMENTS**

Your directors wish to place on record their appreciation of the whole hearted co-operation received by the company from various departments of the central & State Govt. Local Authorities, Company's Banker during the year.

The directors are have pleasure in presenting the Annual General Report of your company together with the audited accounts of the Company for the year ended 31st March, 2006.

### **Statutory disclosure requirement u/s 217 of the Companies Act, 1956.**

- 1 Breakup of expenditure on the employees who were in receipt of remuneration for the year which is in aggregate was more than Rs. 24,00,000/- or if employed for part of the financial year was in receipt of remuneration for any part of that year, at a rate which in aggregate was more than Rs.2,00,000/- per month:-  
**NIL**
  
- 2 Information relating to conservation of Energy :- **NIL**

Dated:17.08.2009

Place : New Delhi

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R.P.Garg  
Director

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Virenderer Sharma  
Director

**ANNEXURE - I TO THE DIRECTOR'S REPORT  
PARTICULARS OF EMPLOYEES**

Required under Section 217 (2A) of the companies Act, 1956, read with the companies (Particulars of Employees) Rules, 1975

A. Employed throughout the year on a remuneration which in the aggregate was not less than Rs.12,00,000/- per annum.

N I L.

B. Employed for part of the year and in respect of remuneration aggregating not less than Rs.1,00,000/- per Month

N I L.

**ANNEXURE - II TO DIRECTOR'S REPORT**

Particulars required under the companies ( Disclosure of particulars in the report of Board of Directors ) Rules, 1988.

**A CONSERVATION OF ENERGY :** NIL

**B. TECHNOLOGY ABSORPTION :** NIL

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO :** NIL

**ANNEXURE  
FORM 'A' (Rule-2)**

**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY**

**A. POWER & FUEL CONSUMPTION** NIL

**FORM - B**

Form for Disclosure of particulars with respect of Technology absorption.

**RESEARCH AND DEVELOPMENT :** NIL

**AUDITOR'S REPORT**

The Members,

**DURGESH MERCHANTS LIMITED**

We have audited the Balance Sheet of Durgesh Merchants Limited as at 31<sup>st</sup> March 2009, 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) In our opinion, subject to the diminishing in the value of the stock in trade held as on 31.3.2009 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;

*Contd. ... 2*



**S.C GARG & ASSOCIATES  
CHARTERED ACCOUNTANTS**

171-172 RAJENDRA BHAWAN  
RAJENDRA PLACENEW DELHI  
PHONE : 25814009,25815548

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- (e) On the basis of written representative received from the Directors, as on 31.3.2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31.3.2009 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 31.3.2009; and
- b. in the case of the Profit and Loss Account, loss for the year ended on that date

Dated: 17.08.2009  
Place: New Delhi.

**For S.C.GARG & ASSOCIATES**  
Chartered Accountants

(Subash Garg)  
Partner



**DURGESH MERCHANTS LIMITED LUDHINA**

**BALANCE SHEET AS AT 31.3.2009**

PARTICULARS	SCH.	AS AT 31.03.2009	AS AT 31.03.2008
<b>I. SOURCES OF FUNDS</b>			
<b>A. SHARE HOLDERS FUNDS</b>			
(i) SHARE CAPITAL	A	4,960,000.00	4,960,000.00
(ii) RESERVE & SURPLUS <i>Profit and Loss Account</i>			
<b>B. LOANS FUNDS</b>			
SECURED LOANS			
UNSECURED LOANS			
<b>TOTAL SOURCES OF FUNDS</b>		<u><u>4,960,000.00</u></u>	<u><u>4,960,000.00</u></u>
<b>II. APPLICATION OF FUNDS</b>			
<b>A. FIXED ASSETS</b>			
<i>FLAT AT COST</i>			
Depreciation up to 31.3.2008		1,033,500.00	1,033,500.00
Depreciation during the year		573,485.00	552,431.00
		<u>23,000.00</u>	<u>21,054.00</u>
NET BLOCK		437,015.00	460,015.00
<b>B. INVESTMENTS</b>			
<b>C. CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
	B	3,884,694.65	3,883,748.61
<b>LESS: CURRENT LIABILITIES AND PROVISIONS</b>			
	C	5,856.00	4,756.00
Profit and loss account		644,146.35	620,992.39
<b>TOTAL APPLICATION OF FUNDS</b>		<u><u>4,960,000.00</u></u>	<u><u>4,960,000.00</u></u>

*ACCOUNTING POLICIES & NOTES*

AS PER OUR AUDIT REPORT OF EVEN DATE ATTACHED  
For S.C. GARG & ASSOCIATES  
*Chartered Accountants*

Subhash Garg  
Partner.



R.P.Garg  
Director

Virender Sharma  
Director

Dated: 17.08.2009  
Place : New Delhi



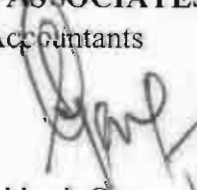
# DURGESH MERCHANTS LIMITED LUDHINA

## PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2009

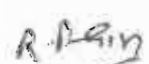
PARTICULARS	SCH.	AS AT 31.03.2009	AS AT 31.03.2008
<b><u>I. INCOME</u></b>			
Income from capital market			6,834.62
Dividend income		5,502.00	2,125.00
<b>TOTAL</b>		<b>5,502.00</b>	<b>8,959.62</b>
<b><u>II. EXPENDITURE</u></b>			
Postage & Telerram			
Bank Charges		89.34	
Auditor's Remuneration		1,100.00	1,100.00
Demat charges		1,666.62	
Filling Fee		2,000.00	1,500.00
Professional Charges		800.00	800.00
DEPRECIATION		23,000.00	21,054.00
<b>TOTAL</b>		<b>28,655.96</b>	<b>24,454.00</b>
PROFIT (LOSS) BEFORE TAX (II-I)		(23,153.96)	(15,494.38)
PROVISIONS FOR INCOME TAX			
Provision for Taxation			
Short Provision of Taxation			
PROFIT (LOSS) AFTER TAX		(23,153.96)	(15,494.38)
BALANCE BROUGHT FORWARD		(620,992.39)	(605,498.01)
<b>BALANCE TRFF. TO BALANCE SHEET</b>		<b>(644,146.35)</b>	<b>(620,992.39)</b>


**ACCOUNTING POLICIES & NOTES**

AS PER OUR AUDIT REPORT OF EVEN DATE ATTACHED  
**For S.C. GARG & ASSOCIATES**  
 Chartered Accountants

  
 Subhash Garg  
 Partner.



  
 R.P. Garg  
 Director

  
 Virender Sharma  
 Director

Dated: 17.08.2009  
 Place : New Delhi

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

	AS AT <u>31.03.2009</u>	AS AT <u>31.03.2008</u>
<b>SCHEDULE 'A'</b>		
<b>SHARE CAPITAL</b>		
<i>AUTHORISED CAPITAL</i>		
500,000 Equity Share of Rs. 10/= each	<u>5,000,000.00</u>	<u>5,000,000.00</u>
 <i>ISSUED, SUBSCRIBED &amp; PAID UP</i>		
496,000 Equity Share of Rs. 10/= each	<u>4,960,000.00</u>	<u>4,960,000.00</u>
	<u>4,960,000.00</u>	<u>4,960,000.00</u>
 <b>SCHEDULE B</b>		
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<b>CURRENT ASSETS</b>		
(a) Interest Receivable		
(b) Stock in hand (At Cost)	1,041,562.59	1,041,562.59
(c) <i>SUNDRY DEBTORS</i> (Unseured considered good) For a period exceeding Six Months Others	1,764,482.33	1,766,148.95
(d) <i>CASH &amp; BANK BALANCES</i>		
- Cash in hand	104,723.15	106,523.15
Balance with scheduled Bank :		
i in current Account :		
Union Bank of India Delhi	19,730.58	15,317.92
 <b>LOANS AND ADVANCES</b>		
Advances recoverable in cash or in kind or for value to received (Unseured considered good)		
S.J. Services Pvt Ltd	550,000.00	550,000.00
others	125,000.00	125,000.00
(Unseured considered doubtful)		
Dharam Dutt	186,000.00	186,000.00
Sita Dutt	50,000.00	50,000.00
Vivak Dutt	400,000.00	400,000.00
<i>Kal Bros Pvt Ltd</i>	<u>50,000.00</u>	<u>50,000.00</u>
	686,000.00	686,000.00
	<u>686,000.00</u>	<u>686,000.00</u>
Less: Provision		
Advance for Flat	200,000.00	200,000.00
Advance Income Tax & T D S.	79,196.00	79,196.00
	<u>3,884,694.65</u>	<u>3,883,748.61</u>
	<u>3,884,694.65</u>	<u>3,883,748.61</u>
 <b>SCHEDULE C</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>CURRENT LIABILITIES</b>		
(a) Creditors for goods and services:		
Audit Fee	2,200.00	1,100.00
 <b>PROVISIONS</b>		
For Taxation	<u>3,656.00</u>	<u>3,656.00</u>
	<u>5,856.00</u>	<u>4,756.00</u>
	<u>5,856.00</u>	<u>4,756.00</u>



*R.P.G.M*