

DURGESH MERCHANTS LIMITED

ANNUAL REPORT

2012-2013

DURGESH MERCHANTS LIMITED

Registered office : 1748/55 Naiwala Karol Bagh New Delhi-110005


NOTICE

NOTICE is hereby given that the 29th Annual General Meeting of the member Of DURGESH MERCHANTS LIMITED will be held on Tuesday, the 24th day of September, 2013 at 11.00 a.m. in the premises of Regd. Office of the company at 1748/55 Naiwala Karol Bagh New Delhi-110005 to transact the following business: -

AGENDA

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2013 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 Virender Kumar Sharma who retires by rotation and eligible, offers himself for re-appointment.

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



R.P.Garg
(Director)

Place: New Delhi
Dated: 29.08.2013

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 24th day of September, 2013.

DURGESH MERCHANTS LIMITED DELHI
Registered Office:1748/55 Naiwala Karol Bagh, New Delhi-110005
DIRECTORS' REPORT

To
The Members,

Your Directors have great pleasure in presenting the 29th Annual Report and The Audited Accounts of the Company for the year ended 31st March, 2013, together with the Auditor's Report thereon.

| FINANCIAL RESULTS | <u>31.03.2013</u> | <u>31.03.2012</u> |
|---|-------------------|-------------------|
| Operating loss/profit | (360,409.40) | 5,220.00 |
| Add: Depn Less : Provision for depreciation | | |
| Less : Deferred Tax Liability | | |
| Profit & Loss After Tax | (360,409.40) | 5,220.00 |

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, 2000

- a. That in the preparation of the Annual Accounts for the financial year ended 31st March, 2013, 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, 2013, 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, 2012

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. 60,00,000/- 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.5,00,000/- per month:-
NIL

- 2 Information relating to conservation of Energy :- **NIL**

Dated:29.08.2013
Place : New Delhi

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R.P.Garg
Director

..sd--

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.60,00,000/- per annum.

N I L.

B. Employed for part of the year and in respect of remuneration aggregating not less than Rs.5,00,000/- 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

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

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

AUDITOR'S REPORT

The Members,
Durgesh Merchants Limited
Report on the Financial Statements

We have audited the accompanying financial statements of Durgesh Merchants Limited("theCompany"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss Account 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 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 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.

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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, 2012

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. 60,00,000/- 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.5,00,000/- per month:-
NIL

- 2 Information relating to conservation of Energy :- **NIL**

Dated:29.08.2013
Place : New Delhi

;-sd--

R.P.Garg
Director

..sd--

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.60,00,000/- per annum.

N I L.

B. Employed for part of the year and in respect of remuneration aggregating not less than Rs.5,00,000/- 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

Opinion

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 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 Loss for the year ended on that date;

Report on Other Legal and Regulatory Requirements

1. The Company is exempt under Para 1(2) (iv) of CARO 2003. As such the requirements of the Companies(Auditor's report) order , 2003 issued by the Central Government of India in terms of Sub Section (4 A) of section 227 of the Companies Act, 1956 are not applicable
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, the company has kept proper books of account as required by law so far as appears from our examination of such books.
 - (c) The Balance Sheet, Statement of Profit and Loss dealt by this report are in agreement with the books of accounts.
 - (d) In our opinion, the Balance Sheet, Statement of
 - (e) Profit and Loss dealt with by this report comply with the accounting standards referred to in Sub-section (3C) of section 211 of the Companies Act, 1956.
 - (f) 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 (1) of section 274 of the Companies Act, 1956.

Dated: 29.08.2013
Place: New Delhi.

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


(Subhash Garg)
Partner

Membership No.08561



DURGESH MERCHANTS LIMITED DELHI

BALANCE SHEET AS AT 31.3.2013

| PARTICULARS | NOTE NO. | AS AT 31.03.2013 | AS AT 31.03.2012 |
|------------------------------------|-----------------|-------------------------|-------------------------|
| I. EQUITY AND LIABILITIES | | | |
| A. SHARE HOLDERS FUNDS | | | |
| (i) SHARE CAPITAL | 3 | 4,960,000.00 | 4,960,000.00 |
| (ii) RESERVE & SURPLUS | 4 | (393,977.83) | (33,568.43) |
| B. NON CURRENT LIABILITIES | | | |
| (i) LONG TERM BORROWING | | | |
| (ii) LONG TERM PROVISION | | | |
| C. CURRENT LIABILITIES | | | |
| (i) SHORT TERM BORROWING | | | |
| (ii) TRADE PAYABLE | 5 | 3,300.00 | 2,200.00 |
| (iii) OTHER CURRENT LIABILITIES | | | |
| (iv) SHORT TERM PROVISIONS | 6 | 3,656.00 | 3,656.00 |
| TOTAL | | <u>4,572,978.17</u> | <u>4,932,287.57</u> |
| II. ASSETS | | | |
| A. NON CURRENT ASSETS | | | |
| (i). FIXED ASSETS | | | |
| TANGIBLE ASSETS | | | |
| Flat | | | 1,869,500.00 |
| (ii) NON CURRENT INVESTMENTS | | | |
| (iii) DEFERRED TAX ASSETS(NRT) | | | |
| (iv) LONG TERM LOANS AND ADVANCES | | | |
| (v). OTHER NON CURRENT ASSETS | | | |
| B. CURRENT ASSETS | | | |
| (i) INVENTORIES | 7 | 816,562.59 | 1,041,562.59 |
| (ii) TRADE RECEIVABLE | 8 | 781,482.33 | 1,078,482.33 |
| (iii) CASH AND BANK BALANCES | 9 | 126,396.25 | 138,546.65 |
| (iv) SHORT TERM LOANS AND ADVANCES | 10 | 2,848,537.00 | 804,196.00 |
| (v) OTHER CURRENT ASSETS | | | |
| TOTAL | | <u>4,572,978.17</u> | <u>4,932,287.57</u> |

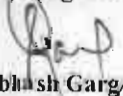
ACCOUNTING POLICIES & NOTES 1&2

AS PER OUR AUDIT REPORT OF EVEN DATE ATTACHED

For S.C.. GARG & ASSOCIATES

Chartered Accountants

Firm Registration Number 004873/N

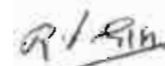

Subhash Garg
Partner.

Membership No.085615

Dated:29.08.2013

Place : New Delhi





R.P.Garg
Director

Ritender Sharma
Director

DURGESH MERCHANTS LIMITED DELHI


PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2013

| PARTICULARS | AS AT 31.03.2013 | AS AT 31.03.2012 |
|---|---------------------|---------------------|
| <u>I. INCOME</u> | | |
| Dividend Income | 8,403.60 | 8,871.00 |
| Interest Income(TDS Rs4434) | 44,341.00 | |
| Closing Stock (At Cost) | 816,562.59 | 1,041,562.59 |
| TOTAL | 869,307.19 | 1,050,433.59 |
| <u>II. EXPENDITURE</u> | | |
| Opening Stock | 1,041,562.59 | 1,041,562.59 |
| Purchases | | |
| ADMINISTRATIVE & OTHER EXP. | | |
| Filling Fee | 2,500.00 | 1,500.00 |
| Bank Charges | 209.00 | 51.00 |
| Professional Expenses | 11,000.00 | 1,000.00 |
| Auditor's Remuneration | 1,100.00 | 1,100.00 |
| Bad debts | 297,000.00 | |
| Advertisement | 6,845.00 | |
| " | <u>1,360,216.59</u> | <u>1,045,213.59</u> |
| PROFIT (LOSS) BEFORE EXTRAORDINARY ITEMS AND TAX (I-II) EXCEPTIONAL ITEMS | (490,909.40) | 5,220.00 |
| Profit on sale of Investment | 130,500.00 | - |
| 'PROFIT (LOSS) BEFORE TAX | (360,409.40) | 5,220.00 |
| PROVISION FOR TAX | | - |
| a Current Year | | |
| b. Tax for Earlier Years | | |
| c. Deferred Tax | | |
| PROFIT (LOSS) AFTER TAX FOR THE YEAR | (360,409.40) | 5,220.00 |
| EARNING PER SHARE: | | |
| A. BASIC | -0.72 | 0.01 |
| B. DILUTED | -0.72 | 0.01 |

ACCOUNTING POLICIES & NOTES 1&2
AS PER OUR AUDIT REPORT OF EVEN DATE ATTACHED

For S.C.. GARG & ASSOCIATES
Chartered Accountants

Firm Registration Number:006873N

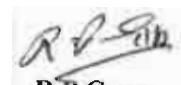

Subhash Garg
Partner.

Membership No.085615

Dated:29.08.2013

Place : New Delhi




R.P. Garg
Director

Virender Sharma
Director

DURGESH MERCHANTS LIMITED DELHI
NOTES TO AND FORMING PART OF BALANCE SHEET

| | AS AT 31.03.2012 | AS AT 31/03.2011 |
|---|---------------------|---------------------|
| NOTE NO."3" SHARE CAPITAL | | |
| <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 & PAID UP</i> | | |
| <i>At the begning of the year</i> | | |
| 496000 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 | | |
| | <u>4,960,000.00</u> | <u>4,960,000.00</u> |
| Disclosure: | | |
| 1. All the shares carry equal rights and obligations including for dividend and with respect to voting. | | |
| 2. Detail of shareholders holding 5% or above shares in the company are annexed | | |
| NOTE NO."4" RESERVE & SURPLUS | | |
| Deficiency | | |
| Balance brought forward from previous year | (33,568.43) | (38,788.43) |
| Add. Transfer from Statement of Profit and Loss for the year | (360,409.40) | 5,220.00 |
| | <u>(393,977.83)</u> | 33,568.43 |
| Less: Appropriation | | |
| Balance carried to next year | <u>(393,977.83)</u> | <u>33,568.43</u> |
| Total | <u>(393,977.83)</u> | <u>33,568.43</u> |
| CURRENT LIABILITIES | | |
| NOTE NO."5" TRADE PAYABLE | | |
| For Goods and services | 3,300.00 | 2,200.00 |
| OTHER CURRENT LIABILITIES | | |
| NOTE NO."6" SHORT TERM PROVISIONS | | |
| Provision For Taxation | 3,656.00 | 3,656.00 |
| | <u>3,656.00</u> | <u>3,656.00</u> |

P.P.S.M



DURGESH MERCHANTS LIMITED DELHI
NOTES TO AND FORMING PART OF BALANCE SHEET

| | <u>AS AT</u> <u>31.03.2013</u> | | <u>AS AT</u> <u>31.03.2012</u> |
|--------------------------------------|-----------------------------------|--------------|-----------------------------------|
| CURRENT ASSETS | | | |
| INVENTRIES | | | |
| NOTE NO."7" Traded Goods | | | |
| Stock in hand(At Cost) | 816,562.59 | | 1,041,562.59 |
| | | | |
| NOTE NO."8" | | | |
| TRADE RECEIVABLE | | | |
| (Unseured considered good) | | | |
| For a period exceeding Six Months | 781,482.33 | 1,078,482.33 | |
| Oters | 781,482.33 | | 1,078,482.33 |
| (Unseured considered good) | | | |
| (Unseured considered doubtful) | 686,000.00 | 686,000.00 | |
| Less: Provision | 686,000.00 | 686,000.00 | |
| | | | |
| NOTE NO."9" | | | |
| CASH AND BANK BALANCES | | | |
| - Cash in hand | 100,278.15 | | 93,623.15 |
| i in current Account : | | | |
| i in current Account : | 26,118.10 | | 44,923.50 |
| Union Bank of India Delhi | <u>126,396.25</u> | | <u>138,546.65</u> |
| | | | |
| NOTE NO."10" | | | |
| SHORT TERM LOANS AND ADVANSES | | | |
| Advances recoverable in cash or | | | |
| in kind or for value to recived | 2,764,907.00 | | 725,000.00 |
| | | | |
| Tax At sourses & Advance Tax | 83,630.00 | 79,196.00 | |
| | 83,630.00 | | 79,196.00 |
| | <u>2,848,537.00</u> | | <u>804,196.00</u> |

R. S. Sin

