

DURGESH MERCHANTS LIMITED

30TH ANNUAL REPORT

2013-14

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Kamal Ahuja	Additional Director
Ms. Jayanti Sharma	Additional Director
Mr. Rajendra Pal Garg	Director
Mr. Virender Kumar Sharma	Director

STATUTORY AUDITOR

Ajay Shikhar Jain & Co.
C-7/130, Yamuna Vihar,
New Delhi-110053

REGISTRAR & TRANSFER AGENT

Skyline Financial Services Private Limited
D-153 A, PH-1, Near-Courtesy Honda City Showroom,
Okhla Industrial Area, Delhi-110020

ANNUAL GENERAL MEETING

Date: 29th September, 2014
Time: 12:00 A.M.
Day: Monday
Venue: Registered Office of the Company

STOCK EXCHANGES AT WHICH SHARES ARE LISTED

The Calcutta Stock Exchange Limited
The Ludhiana Stock Exchange Limited

REGISTERED OFFICE

8/33, IIIrd Floor, Satbhava School Marg, W.E.A Karol Bagh, New Delhi-110005

DURGESH MERCHANTS LIMITED

Regd. Office: 8/33, IIIrd Floor, Satbhava School Marg, W.E.A Karol Bagh, New Delhi-110005, Ph: 011-42773662

Email ID: durgeshmerchants@gmail.com, CIN:U51219DL1984PLC248322, Website: www.durgeshmerchantsltd.com

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Thirtieth (30th) Annual General Meeting of the members of M/s DURGESH MERCHANTS LIMITED will be held on Monday, the 29th day of September, 2014 at 12.00 A.M. at the registered office of the Company at 8/33, IIIrd Floor, Satbhava School Marg, W.E.A Karol Bagh, New Delhi-110005 to transact the following businesses: -

ORDINARY BUSINESS

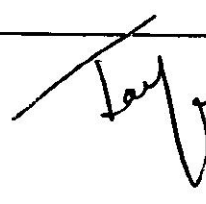

1. To receive, consider and adopt the audited Balance Sheet as at March 31st, 2014 and Profit & Loss Account for the year ended on that date together with the report of Directors' and Auditors' thereon.
2. To appoint M/s Ajay Shikhar Jain & Co., Chartered Accountants as Statutory Auditors of the Company in place of M/s S.C Garg & Associates, Chartered Accountants, the retiring auditors, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.
3. To appoint Mr. Rajendra Pal Garg (DIN:00525574), as Director of the Company, who will retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.
4. To appoint Mr. Virender Kumar Sharma (DIN:00211452), as Director of the Company, who will retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

SPECIAL BUSINESS

5. Appointment of Mr. Kamal Ahuja as Director

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149, Section 152, Section 160 and other applicable provisions of the Companies Act, 2013, if any, Mr. Kamal Ahuja (DIN:00005195), who

was appointed as an Additional Director of the Company by Board of Directors with effect from 24th March, 2014, and whose term of office expires at the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing, signifying his intention to propose his name for the office of Director, not being liable to retire by rotation.

6. Appointment of Mr. Kamal Ahuja As Managing Director

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, **Mr. Kamal Ahuja (DIN:00005195)**, being eligible to be appointed as such, be and is hereby appointed as Managing Director of the Company for a term of five years commencing from 5th September, 2014, upon such terms and conditions (without remuneration) as set out in the statement annexed to this Notice with the liberty to the Board to alter and vary the terms as it may deem fit and as may be acceptable to Mr. Ahuja.

RESOLVED FURTHER THAT all the Directors are jointly and severally authorized to do all such deeds, acts and things as are necessary to execute this appointment with various authorities including Registrar of Companies, NCT of Delhi & Haryana."

7. Appointment of Ms. Jayanti Sharma as Director

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 149, Section 152, Section 160 and other applicable provisions of the Companies Act, 2013, if any, **Ms. Jayanti Sharma**, who was appointed as an Additional Director of the Company by Board of Directors with effect from 27th June, 2014, and whose term of office expires at the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing, signifying her intention to propose her name for the office of Director, being liable to retire by rotation.




8. Approval of borrowing limits to the Board of Directors of the Company

To consider and, if thought fit, to pass with or without modification, the following resolution as a **Special Resolution:**

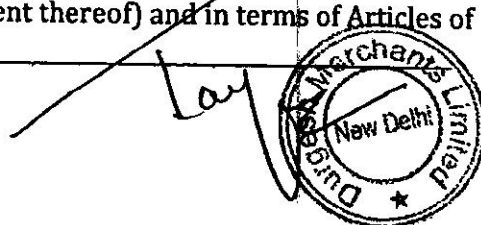
"RESOLVED THAT in suppression to all the resolution passed earlier by the Company with respect to the borrowing powers of the Board of Directors, consent of the members be and is hereby accorded under Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 or any statutory modification or re-enactment thereof, to the Board of Directors of the Company, to borrow any sum or sums of money, from time to time for the purpose of the Company, upon such terms and conditions and with/without security, as the Board of Directors may, in its absolute discretion, think fit and proper, notwithstanding the fact that the money or monies to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed, at any time, the aggregate of the paid up capital of the Company and its free reserves, (that is to say, reserves not set apart for any specific purpose), provided that the total amount of such borrowings shall not exceed, at any time, a sum of **Rs. 2 Crores (Rupees Two Crores)** over and above the paid up capital and free reserves of the Company and the Board of Directors be and is hereby empowered and authorized to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit.

RESOLVED FURTHER THAT the Board of Directors be and is hereby further authorized to create mortgages and/or charges on such properties of the Company as it may think fit and for that purpose to execute such documents, papers, deeds and writings containing such conditions and covenants as the Board may think fit and to take all such steps as may be necessary or desirable to give effect to this Resolution."

9. Approval For Creation of Charge/ Mortgage on the Assets of the Company

To consider and if thought fit to pass, with or without modification(s), the following as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of section 180(1)(a) and all other applicable provisions if any of the Companies Act, 2013 or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof) and in terms of Articles of



Association of the Company, the consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter called as "the Board") for mortgaging / charging all or any of the immovable and/or movable properties of the Company both present and future and the whole or substantially the whole of the undertaking or the undertakings of the Company on such terms and conditions, as may be agreed to between the Board and Lender(s) to secure the loans / borrowings obtained or as may be obtained, which may exceed the paid-up capital and free reserves in the ordinary course of business but not exceeding Rs. 2,00,00,000/- (Rupees Two Crores only) at any point of time.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board or any of its duly constituted committee be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion may deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the charge/mortgage aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

Place: New Delhi
Date: 05th September, 2014



BY ORDER OF THE BOARD
FOR DURGESH MERCHANTS LIMITED

Jayanti Sharma

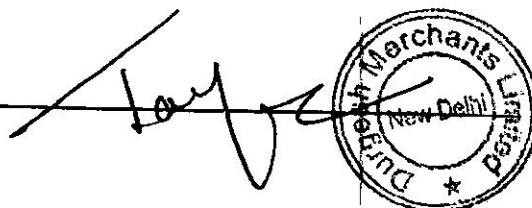
Jayanti Sharma
Chairman
(DIN-05285845)

Add: T/58-A, Railway Colony,
Opp. Sohan Kothi,
Bikaner, Rajasthan-334001

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK PROXY FORM IS ENCLOSED. THE PROXY FORM DULY STAMPED AND EXECUTED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT 8/33, 3rd FLOOR, SATBHRAVA SCHOOL MARG, W.E.A. KAROL BAGH, NEW DELHI-110005, AT LEAST 48 HOURS BEFORE THE TIME FIXED FOR THE COMMENCEMENT OF THE MEETING.**
2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 25th September, 2014 to 29th September, 2014 (both days inclusive).
4. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. The physical copy of the notice along with instructions for Attendance Slip and Proxy Form is being sent to such members vide courier.
5. Members are requested to notify change in address, if any, to the Share Transfer Agent and to the Company quoting their Folio Numbers, number of share held etc.
6. Members / Proxy holders are requested to produce at the entrance, the attached admission slip for admission into the meeting hall. Duplicate admission slips will not be provided at the hall.
7. Members holding shares in demat form are requested to submit their Permanent Account Number (PAN) to their respective Depository Participant and those holding shares in physical form are requested to submit their PAN details to the company / RTA in order to comply with the SEBI guidelines.
8. In case of joint holders attending the meeting, only such joint holder who is higher on the order of names will be entitled to vote.
9. Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the meeting.
10. **Voting through Electronic means: -**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the Members, facility to exercise their right to vote at the 30th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).



INSTRUCTIONS FOR E-VOTING

(i) The voting period begins on 23rd September, 2014 at 9:00 A.M. and ends on the same day at 6.00 P.M. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 5th September, 2014, may cast their vote electronically.

The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders.

(iv) Now enter your User ID which is:

(a). For CDSL: 16 digits beneficiary ID,

(b). For NSDL: 8 Character DP-ID followed by 8 Digits Client ID,

(c). Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the Folio number / Client ID in the PAN field.</p> <p>In case the Folio Number/Client ID is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with Folio/ Client ID 1 then enter RA00000001 in the PAN field.</p>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If the details are not</p>



	recorded with the depository or company please enter the Number of Shares in the Dividend Bank details field as mentioned in instruction (v).
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(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for Durgesh Merchants Limited.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

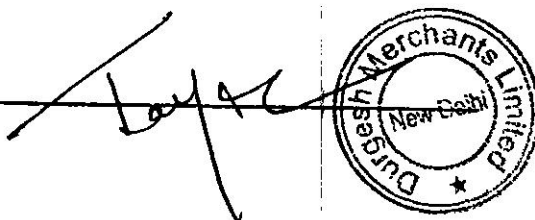
(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non-Individual Shareholders & Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.



- After receiving the login details they have to create a compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

(xx) A member who has cast his/her vote through e-voting or duly appointed proxy/proxies of such a member shall be entitled to attend the Annual General Meeting (AGM) of the Company. However, he/she cannot vote at the AGM.

(xxi) Ms. Akshi Jain, Practicing Company Secretary and Partner at M/s Jain Akshi & Associates has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

(xxii) The results of the e-voting along with the Scrutinizer's Report shall be placed on the website of CDSL within three working days of passing of the resolutions at the Annual General Meeting of the Company to be held on 29th September, 2014. The results will also be communicated to the stock exchanges where the shares of the Company are listed.

11. The members are hereby intimated that wherein the Company fails to engage the services of Central Depository Services India Limited (CDSL) as the Authorized Agency to provide e-voting facilities, the business shall be transacted by Postal Ballot. Accordingly, you may find the Ballot Paper enclosed underneath.




EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 5 & 7

Appointment of Mr. Kamal Ahuja and Ms. Jayanti Sharma

- **Mr. Kamal Ahuja** was appointed as an Additional Director on 24th March, 2014 on Board of the Company to hold office up to the date of this Annual General Meeting and the Company has received a notice in writing from him proposing his candidature for the office of Director.

Information about the Appointee Director

He is a practicing Advocate in New Delhi and has an experience of over 15 years in the field of legal consultancy. He is a man with great vision supported by strong determination and zeal for identifying potential projects. He possesses extensive management skills. He is bestowed with high degree of knowledge and expertise while handling complex issues and is renowned for limitless dedication when it comes to being a part of team.

The Board of Directors of the Company believes that his vast experience and expertise will prove beneficial to the Company and will help to achieve its vision and mission.

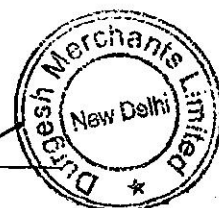
Therefore, the Directors of your company recommend the aforesaid resolution for your consideration and approval.

None of the Directors except Mr. Kamal Ahuja, are concerned or interested in proposed resolution.

- **Ms. Jayanti Sharma** was appointed as an Additional Director on 27th June, 2014 on Board of the Company to hold office up to the date of this Annual General Meeting and the Company has received a notice in writing from her proposing her candidature for the office of Director.

Information about the Appointee Director

She is a Practicing Company Secretary in New Delhi and has an experience of over 6 years in the field of handling listing and secretarial issues. She is also a law graduate and possesses good managerial skills which would prove favorable for the Company in long term. She has a great experience of handling complex issues as well.



Your Directors believe that her supervision will be helpful for the Company in long term. Therefore, they recommend the aforesaid resolution for your consideration and approval.

None of the Directors except Ms. Jayanti Sharma, are concerned or interested in proposed resolution.

ITEM NO. 6

Appointment of Mr. Kamal Ahuja as Managing Director

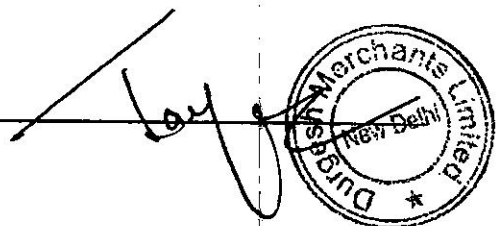
The Board of Directors of the Company in its meeting held on 5th September, 2014 has appointed Mr. Kamal Ahuja as Managing Director for a period of 5 (Five) Years commencing from 5th September, 2014 without any remuneration.

No Salary, Perquisites or Allowances, Remuneration based on net profit or reimbursement of expenses shall be paid to him.

Terms and conditions

- (i) The Managing Director will perform his duties as such with regard to all work of the Company and he will manage & attend to such business and carry out the orders and direction given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may be given.
- (ii) He shall act in accordance with the Article of Association of the Company and shall abide by the provisions contained in section 166 of the Act with regard to duties of directors.
- (iii) He shall also adhere to the Company's Code of Business Conduct & ethics for Directors and Management Personnel.
- (iv) He shall satisfy all the conditions set out under Section 196 and Schedule V of the Act.
- (v) He shall hold office for five years. However, the Board as well as the proposed Managing Director would be free to terminate the office before the said period upon giving reasonable explanations to the effect. The Board shall be obligated to conduct a thorough enquiry and give the proposed MD a reasonable opportunity of being heard prior to termination of his office.
- (vi) He shall not be liable to retire by rotation.

The above briefs may be treated as a written memorandum setting out the terms of appointment of Mr. Kamal Ahuja as Managing Director of the Company.



The Board recommends the said resolution for Member's approval by way of an ordinary Resolution. None of the Directors of the Company except Mr. Kamal Ahuja is, in any way, concerned or interested in the resolution.

ITEM NO. 8

Approval of Borrowing Limits

In order to meet the working capital requirements and in suppression to all the resolutions passed earlier by the Company with respect to the borrowing powers of the Board of Directors, it is proposed to enhance the borrowing limits pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 to the tune of Rs. 2 Crores.

Section 180(1)(c) of the Companies Act, 2013, effective from 12th September, 2013, requires that the Board of Directors shall not borrow money in excess of the Company's paid up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, except with the consent of the Company accorded by way of a special resolution.

Approval of members is being sought to borrow money up to the limit of **Rs. 2 Crores (Rupees Two Crores)** in excess of the aggregate of the paid up share capital and free reserves of the Company. The resolution is accordingly recommended for approval by the members of the Company as a Special Resolution under the Act.

None of the Directors, Key Managerial Personnel of the Company, and/or their relatives is concerned or interested in any manner in the proposed resolution.

Item No. 9

Approval for Creation of Charge/ Mortgage on the Assets of the Company

In terms of the provisions of Section 180(1)(a) of the Companies Act, 2013, the consent of members by a Special Resolution is necessary to lease or otherwise dispose off the whole or substantially the whole of the undertaking of the Company. Since mortgaging by the Company of its movable or immovable properties in favour of various Financial Institutions/ Banks etc. for availing term loans/other secured borrowings is regarded as disposal of the Company's properties /undertakings,



it is necessary for the members to pass the Resolution under Section 180(1)(a) of the Companies Act, 2013 by way of Special Resolution.

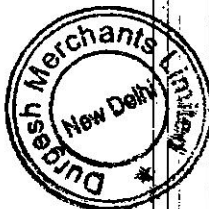
Accordingly, it is, therefore, necessary for the members to pass a special resolution under Section 180(1)(a) of the Companies Act, 2013 for creation of security up to the limit specified in the resolution passed under Section 180(1)(c) of the Companies Act, 2013.

The Board of Directors recommends the above resolution for your approval as a Special Resolution.

None of the Directors or any Key Managerial Personnel or any relative of any of the Director(s) of the Company or the relatives of any Key Managerial Personnel is, in anyway, concerned or interested in the above resolution.

Place: New Delhi

Date: 05th September, 2014



BY ORDER OF THE BOARD
FOR DURGESH MERCHANTS LIMITED

A handwritten signature in black ink, appearing to read "Jayanti Sharma".

Jayanti Sharma
Chairman
(DIN-05285845)

Add: T/58-A, Railway Colony,
Opp. Sohan Kothi,
Bikaner, Rajasthan-334001

ATTENDANCE SLIP

Folio/DP-ID/CLIENT-ID/	
Name and Address of the Shareholder	
Whether the member is attending the meeting in person or by proxy or by authorized representative.	
Name of the proxy (to be filed in if proxy attends instead of the member).	

I/we hereby record my/our presence at the Annual General Meeting of the Company held on Monday, the 29th day of September, 2014 at the registered office of the Company at 12.00 P.M., at the registered office of the company at 8/33, 3rd Floor, Satbhava School Marg, W.E.A Karol Bagh, New Delhi-110005.

Signature of the Member/Proxy
(To be signed at the time of handing over the slip)




Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U51219DL1984PLC248322

Name of the company: Durgesh Merchants Limited

Registered office: 8/33, 3rd Floor, Satbhraha School Marg, W.E.A Karol Bagh, New Delhi-110005

Name of the member(s): Registered address: E-mail ID: Folio No/ Client ID: DP ID:

I/We, being the member(s) of shares of the above named company, hereby appoint

1. Name:

Address:

E-mail ID:

Signature :....., or failing him

2. Name :

Address:

E-mail Id :

Signature:....., or failing him

3. Name :

Address:

E-mail Id:

Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the Company, to be held on the 29th day of September, 2014 at 12:00 P.M. at 8/33, 3rd Floor, Satbhraha School Marg, W.E.A Karol Bagh, New Delhi-110005 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

- 1.....
- 2.....
- 3.....
- 4.....
- 5.....
- 6.....

Affix Re 1/-

Revenue
Stamp



7.....

8.....

Signed this Day of 2014

Signature of Shareholder

Signature of Proxy holder(s)

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




BALLOT FORM
(In lieu of E-voting)

Name and Registered Address of the
Sole/ First named Shareholder/
Member

Names of the Joint Shareholder(s)/
Member(s), if any, (in block letters)

Registered Folio No. :/
D.P ID No./ Client ID No. *
(*Applicable to members holding
shares in dematerialized form)

No. of Shares held

I/We hereby exercise my/our vote in respect of the resolution(s) to be passed for the business stated in the notice of 30th Annual General Meeting (AGM) of the Company scheduled on 29th September 2014, by conveying my/our assent or dissent to the said resolution(s) by placing the tick (✓) mark at the appropriate box below.

Item No.	Description	No. of equity shares	Type of Resolution	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)
1.	Adoption of financial statements for the year ended 31 March 2014 and the Directors' & Auditors Reports thereon		Ordinary		
2.	Appointment of M/s Ajay Shikhar Jain & Company, Chartered Accountants, as Statutory Auditors and fixing their remuneration, in place of M/s S.C Garg & Associates, Chartered Accountants, the retiring auditors.		Ordinary		
3.	Appointment of Mr. Rajendra Pal Garg, Director, who retires by rotation		Ordinary		



4.	Appointment of Mr. Virender Kumar Sharma, Director, who retires by rotation		Ordinary		
5.	Appointment of Mr. Kamal Ahuja as Director		Ordinary		
6.	Appointment of Mr. Kamal Ahuja, as Managing Director		Ordinary		
7.	Appointment of Ms. Jayanti Sharma as Director		Ordinary		
8.	Approval of borrowing limits to the Board of Directors of the Company		Special Resolution		
9.	Approval for Creation Of Charge/ Mortgage on the Assets of the Company		Special Resolution		

Place:

Date:

Signature of shareholder

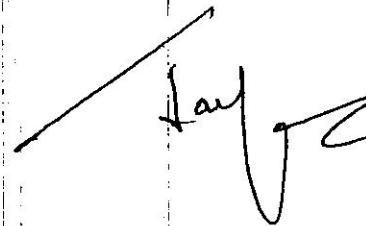
NOTE: Kindly read the instructions printed overleaf before filling the form. Only valid ballot forms received by the scrutinizer by 6.00 p.m. on 23rd September 2014 shall be considered.

Signature



Instructions:

1. If the voting rights are exercised electronically, there is no need to use this form.
2. A Shareholder/ Member desiring to exercise his/her vote by Ballot may complete this Ballot Form and send it to the company or hand over at the venue of Annual General meeting. However, envelopes containing Ballot Forms if deposited in person or sent by courier at the expense of the shareholder will also be accepted.
3. Please convey your assent/dissent in this Ballot Form. The assent/dissent received in any other form shall not be considered valid.
4. This Ballot Form should be completed and signed by the Shareholder/ Member. In case of joint-holding, this Form should be completed and signed as per the specimen signature registered with the Company/Depository Participants by the first named Shareholder and in his/her absence, by the next named Shareholder/Member.
5. Unsigned Ballot Forms will be rejected. The Scrutinizer's decision on the validity of the Ballot shall be final and binding.
6. In case of shares held by companies, the duly completed Ballot Form should be accompanied by a certified true copy of Board resolution/Authority together with attested specimen signature(s) of the authorised signatory(ies).
7. Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the Shareholders/Members on the date of dispatch of the notice.
8. The Scrutiniser will submit his final report at the day of Annual General meeting.
9. Shareholders/Members are requested not to send any other paper along with the Ballot Form and any extraneous paper found would be destroyed by the Scrutinizer
10. A member can opt for only one mode of voting i.e. either through e-voting or by ballot. If a member casts vote by both modes, then voting done through e-voting shall prevail and ballot shall be treated as invalid.



DURGESH MERCHANTS LIMITED

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DIRECTORS' REPORT

To,

The Members,

Durgesh Merchants Limited

Your Board of Directors take immense pleasure in presenting the Thirtieth (30th) Annual Report on the business and operations of the Company, together with the Audited Statement of Accounts for the financial year ended 31st March, 2014.

BUSINESS REVIEW

Overall, Financial Year 2013-14 has been a satisfying year. There is an increase of 28.91% in the revenues of the Company. The year concluded with a Net Profit of Rs. 3, 40,016/- for the Company. Your Board feels great sense of honor in sharing with you that while the Company incurred losses to the tune of Rs. 3,60,409/- in the previous Financial Year 2012-13, the current financial year yielded profits. The Company was aggressive in its quest for new contracts, executed on its full services strategy and maintained pricing disciplines.

FINANCIAL REVIEW

The working results of the Company for the year are as follows:

Particulars	FY 2013-14 (In Rupees)	FY 2012-13 (In Rupees)
Sales and other Income	1,577,485	52,745
Less: Expenses & Exceptional Items	(978,830)	(543,654)
Profit before Depreciation & Tax (PBDT)	598,655	(360,409)
Depreciation	-	-
Profit before Tax	598,655	(360,409)
Current Tax	(262,295)	-
Previous Year Tax Adjustment	3,656	-
Net Profit/Distributable Profit	340,016	(360,409)



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TRANSFER TO RESERVES IN TERMS OF SECTION 45-IC OF THE RESERVE BANK OF INDIA ACT, 1934

For the financial year ended 31st March, 2014 the Company has transferred Rs. 68,125/- in respect of current year's profit and Rs. 140,353/- from the past years profit to Reserve Fund. Thus, the total amount transferred to Statutory Reserve Fund accumulates to Rs. 208,478/-.

DIVIDEND

The Company is having Distributable Profits in terms of provisions of Section 123 of Companies Act, 2013 for the Financial Year 2013-14. The management believes that the profits earned during the year must be retained and redeployed for the operations of the Company. As the Company needs additional funds to enhance its business operations, upgrade the efficiency and to meet out the deficiencies in working capital, the Directors do not recommend any dividend on Equity Shares for the financial year 2013-14.

DISCLOSURES UNDER SECTION 217(1)(d) OF THE COMPANIES ACT, 1956

Except as disclosed elsewhere in this report, the following material changes have occurred between the end of the financial year of the Company and date of this report which can affect the financial position of the Company:

Appointment of Registrar & Share Transfer Agent (RTA):

The Company has appointed M/s Skyline Financial Services Private Limited as Registrar and Transfer Agent, for the purpose of obtaining demat connectivity from the depositories and dematerialization of shares, on 15th March, 2014.

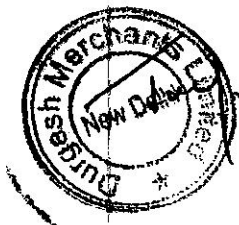
Demat Connectivity:

Your Company has successfully obtained demat connectivity of its shares with both the depositories i.e., National Securities Depository Ltd. (NSDL) as well as Central Depository Services Ltd. (CDSL) on May 29, 2014 and April 25, 2014 respectively.

The shareholders can thus apply to the Company and convert their physical shares into electronic form. Any queries in this regard could be mailed at the e-mail address of the company i.e. durgeshmerchants@gmail.com.

Revocation of Suspension in Trading from Ludhiana Stock Exchange:

The shares of the Company were suspended for trading by Ludhiana Stock Exchange (LSE) since 21st March, 1998. But the constant efforts of your Directors for reversing the situation paid off on 17th April, 2014 when the Board of Ludhiana Stock Exchange revoked the suspension of shares subsequent to submission of various listing agreement compliances and undertakings and upon fulfillment of post-listing requirements by the Company.



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Listing At Calcutta Stock Exchange:

Subsequent to revocation of suspension on LSE, the Company realized that the Exchange has applied to the Securities & Exchange Board of India (SEBI) for its voluntary de-recognition as Stock Exchange and that in case the Board accepts LSE's application, the shares of the Company would become unlisted.

Therefore, it was decided to list the Company on Calcutta Stock Exchange (CSE). The listing approval was granted by CSE on 4th July, 2014. At present the Company is listed on "Calcutta Stock Exchange" (CSE), in addition to "Ludhiana Stock Exchange" (LSE). All procedural requirements in relation to direct listing of shares at CSE have been complied with.

Your directors, however, envision listing the Company on Bombay Stock Exchange, having nation-wide trading terminal.

Shifting Of Registered Office within Local Limits:

For operational convenience and cost cutting purpose, your Company has shifted its registered office from 1748/55, First Floor, Naiwala, Karol Bagh, New Delhi-110005 to 8/33, 3rd Floor, Satbhraha School Marg, W.E.A Karol Bagh, New Delhi-110005 with effect from 6th May, 2014. This change will, hopefully, be favorable for the Company.

Preferential Allotment of Equity Shares:

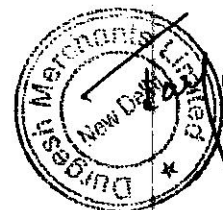
The Members at the Extraordinary General Meeting held on 17th March, 2014 have passed a special resolution for issue and allotment of 27, 50,000 Equity Shares of Rs. 10/- each at par on preferential basis. In this regard, the Company received In- Principal approval from CSE vide its letter dated 21st August, 2014.

The Board in its meeting held on 3rd September, 2014, made an allotment of 2174000 equity shares of Rs. 10/- each amounting to Rs. 2,17,40,000 due to non receipt of required Share Application Money from some of the proposed allottees.

Share Capital:

The Company has increased its authorized share capital from Rs. 50,00,000/- (Rupees Fifty Lacs) divided into 5,00,000 Equity Shares of Rs. 10/- each to Rs. 4,00,00,000/- (Rupees Four Crores) divided into 40,00,000 Equity Shares of Rs. 10/- each.

Pursuant to preferential allotment, the Paid-up Share Capital of the Company has also increased from Rs. 49,60,000/- (Rupees Forty Nine Lac Sixty Thousand Only) divided into 4,96,000 Equity Shares of Rs. 10/- each to Rs. 2,67,00,000/- (Rupees Two Crores Sixty Seven Lacs Only) divided into 2670000 Equity Shares of Rs. 10/- each.



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Appointment of Company Secretary:

Your Directors recommended the appointment of **Ms. Mukta Shiv**, a member of the Institute of Company Secretaries of India as Company Secretary of the Company. The Board took note of the same and thereupon, Ms. Mukta Shiv was appointed as Company Secretary and Compliance Officer of the Company w.e.f 5th August, 2014.

Appointment of Internal Auditor and Chief Financial Officer:

The Companies Act, 2013 has mandated the appointment of Internal Auditor and Chief Financial Officer in the Company. Accordingly, the Company has appointed **Ms. Mukta Shiv**, as an Internal Auditor and **Ms. Jayanti Sharma** as the CFO of the Company in the Board Meeting held on 5th September, 2014.

PUBLIC DEPOSIT

The Company has not invited/accepted any public deposits under Section 58A & 58AA of the Companies Act, 1956 during the year ended on 31st March, 2014.

STATUTORY AUDITORS

The Board recommends appointment of **M/s Ajay Shikhar Jain & Co., Chartered Accountants**, as Statutory Auditors of the Company in place of **M/s S.C Garg & Associates, Chartered Accountants**, who shall retire at the ensuing Annual General Meeting.

Company has received a confirmation from the proposed Auditors to the effect that their appointment, if made, would be in the limits prescribed under section 141(3)(g) of the Companies Act, 2013.

AUDITORS' OBSERVATION

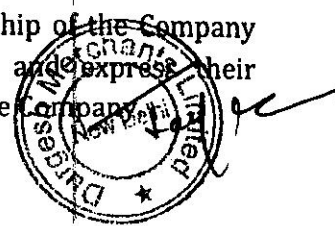
The Report of Auditors has been annexed with this report; Auditors' observations are self explanatory, which do not call for any further clarifications.

DIRECTORS

During the year, **Mr. Kamal Ahuja** was inducted as an Additional Director w.e.f 24th March, 2014 under Section 161 of the Companies Act, 2013 to hold office up to the ensuing Annual General Meeting of the Company.

Ms. Jayanti Sharma was inducted as an Additional Director w.e.f 27th June, 2014 under Section 161 of the Companies Act, 2013 to hold office up to the ensuing Annual General Meeting of the Company.

Ms. Shashi Sharma has tendered her resignation from the post of Directorship of the Company with effect from 1st September, 2014. Your Directors accept the same and express their appreciation towards her continuous efforts towards managing the affairs of the Company.



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Following table shows the present composition of the Board:

S. No.	Name of the Director	DIN	Designation	Date of Appointment
1.	Virender Kumar Sharma	00211452	Director	09/08/2002
2.	Rajendra Pal Garg	00525574	Director	27/07/1989
3.	Kamal Ahuja	00005195	Additional director	24/03/2014
4.	Jayanti Sharma	05285845	Additional director	27/06/2014

Company has received notices from the shareholders under Section 160 of the Companies Act, 2013 proposing candidature of Mr. Kamal Ahuja and Ms. Jayanti Sharma, for the office of Director. The Board therefore, recommends the appointment of Mr. Kamal Ahuja and Ms. Jayanti Sharma as Directors in the ensuing Annual General Meeting of the Company.

LISTING AGREEMENT COMPLIANCES

Your Directors are pleased to inform you that during the year under review all compliances related to listing with the Ludhiana Stock Exchange and Calcutta Stock Exchange have been duly complied with.

COMPLIANCE CERTIFICATE UNDER SECTION 383A

As per the requirement of Section 383A of the Companies Act 1956 and Companies (Compliance Certificate) Rules 2001, the Company has obtained a certificate from Company Secretary in whole time practice confirming that the Company has complied with all the provision of Companies Act, 1956. The clauses referred to in compliance certificate are self-explanatory and, therefore do not call for any further comments.

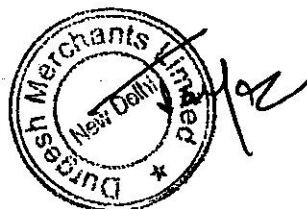
CORPORATE GOVERNANCE REPORT

As the Company's current capital structure is less than 3 Crores, Clause-49 is not applicable. Therefore, no Corporate Governance Report is mandatory to be issued by the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under sub-section (2AA) of Section 217 of the Companies Act 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- In preparation of Annual Accounts, the applicable accounting standards to the extent applicable, has been followed.



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- ii. The Directors 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 as at 31st March 2014 and of the profit of the company for the year ended on that date.
- iii. The Directors has 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 and
- iv. The Directors have prepared the annual accounts of Company on a 'going concern' basis.

PARTICULARS OF EMPLOYEES

None of the Employees of the Company was in receipt of remuneration, which was more than the limits as prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and hence no particulars are required to be disclosed in this Report.

INFORMATION REQUIRED UNDER SECTION 217(1) (E) OF THE COMPANIES ACT, 1956

i) Conservation of Energy

As the Company is a Non Banking Financial Company, therefore no extra-ordinary consumption of energy.

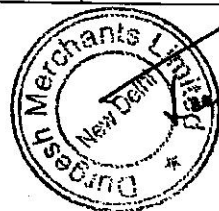
ii) Technology Absorption

The Company is not involved in any activity related to technology absorption, during the period under the review.

iii) Foreign Exchange Earnings & Outgo

There were no foreign exchange earnings as well as outgo of the Company during the year under report.

Particulars	Year Ended March 31, 2014	Year Ended March 31, 2013
Earnings in Foreign Currency	Nil	Nil
Expenditure in Foreign Currency	Nil	Nil



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ACKNOWLEDGMENT

Your Directors would like to express their grateful appreciation for assistance and Co-operation received from the financial institutions, Government Authorities, Customers, Vendors and Members during the year under review. Your Directors, also wish to place on record their deep sense of appreciation for the committed services of executives, staff and workers of Company.

Place: New Delhi

Date: 05th September, 2014

For and on Behalf of the Board of Directors

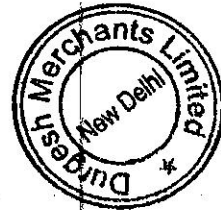
M/s Durgesh Merchants Limited



Jayanti Sharma
Chairman

DIN:05285845

T/58-A, Railway Colony, Opp. Sohan
Kothi, Bikaner- 334001, Rajasthan





GROVER AHUJA & ASSOCIATES
Company Secretaries

CIN No.: U51219DL1984PLC248322
Nominal Capital: Rs. 40,000,000

To,
The Members
Durgesh Merchants Limited.
8/33, III Floor, Satbhraha School Marg,
W.E.A. Karol Bagh
New Delhi- 110005.

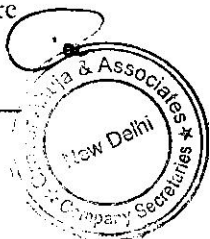
We have examined the registers, records, books and papers of **Durgesh Merchants Limited** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March, 2014** (financial year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure- 'A'** to this certificate, as per the provisions of the Act and the rules made there under and all entries there in have been duly recorded.
2. The Company has filed the forms and returns as stated in **Annexure- 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities under the Act and the rules made there under, during the financial year.
3. The Company, being a Public Limited Company, has the minimum prescribed paid up Capital.
4. The Board of Directors met **12 (Twelve)** times respectively on **10th May, 2013; 13th August, 2013; 29th August, 2013; 12th November, 2013; 14th February, 2014; 20th February, 2014; 12th March, 2014; 15th March, 2014; 21st March, 2014; 24th March, 2014; 26th March, 2014 and 28th March, 2014**. The proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members and Share Transfer book on 24th day of September, 2013.
6. The Annual General Meeting of the members of the Company for the financial year ended on **31st March, 2013** was held on **24th September, 2013** and the resolutions passed thereat were recorded in Minutes Book maintained for the purpose.

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Karol Bagh, New Delhi - 110005**

Web Site: www.groverahuja.com; E mail: info@groverahuja.com



7. One Extra-ordinary general meeting was held on **17th March, 2014** to get approval from the shareholders for the following:
- To increase the Authorized share capital of the Company from Rs. 50,00,000/- (Rupees Fifty Lakhs Only) to Rs. 4,00,00,000/- (Rupees Four Crores only).
 - To Alter the Articles of Association of the Company for the purpose of increasing the Authorized Share Capital of the Company.
 - To approve preferential allotment of 27,50,000 (Twenty Seven Lac and Fifty Thousand) equity shares of Rs. 10/- (Rupees Ten) each.
- The resolutions passed thereat were recorded in Minutes Book maintained for the purpose.
8. As stated by the management, the Company has not advanced any loans to its directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has not carried out any transactions falling within the purview of the provisions of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As per the information given by the management, there were no instances falling within purview of Section 314 of the Act, therefore the Company has not obtained any approval from the Board of Directors, Members and the Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company has: -
- not affected any allotment/transmission of securities during the financial year and certificates lodged for transfer of equity shares were duly delivered;
 - not deposited any amount in the separate Bank Account as no dividend was declared during the financial year.
 - not posted warrants for the dividends to any member of the Company as no dividend was declared during the financial year.
 - not required to transfer the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
 - complied with the requirements of Section 217 of the Act.



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14. The Board of directors of the Company is duly constituted. Mr. V.K. Sharma, being director, liable to retire by rotation was re-appointed as Director of the Company. Further, Mr. Manish Kumar Gupta and Mr. Kamal Ahuja were appointed as Additional Directors in the Board meeting held on 12th March, 2014 and 24th March, 2014 respectively.

Apart from this, there was no appointment of alternate directors and directors to fill casual vacancy during the financial year.

15. The Company has not appointed any Managing Director/ Whole time Director/ Manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. As per the information provided to us, the Company has not obtained any approval of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the various provisions of the Act.
18. The Directors have disclosed to the Board of Directors their interest in other firms/companies pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. As the Company does not have any redeemable preference shares or debentures outstanding, the Company has not redeemed any redeemable preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act during the financial year.
24. The Company has not made any borrowing during the financial year which attracts the provisions of section 293 (1) (d) of the Act.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate in terms of section 372A of the Companies Act, 1956.
26. The Company has not altered the provisions of the Memorandum of Association with respect to situation of the Company's registered office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum of Association with respect to the objects of the Company during the year under scrutiny.

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28. The Company has not altered the provisions of the Memorandum of Association with respect to name of the Company during the year under scrutiny.
29. The Company has altered the provisions of the Memorandum of Association during the financial year with respect to increase in the Authorized Share Capital of the Company from Rs. 50,00,000/- (Rupees Fifty Lacs only) to Rs. 4,00,00,000/- (Rupees Four Crores only).
30. The Company has altered its Articles of Association during the financial year with respect to Authorized share capital of the company.
31. As stated by the management of the Company, there was/were no prosecution initiated against or show cause or penalties or fine notices received by the company during the financial year, for offences under the Act.
32. As stated by the management of the Company, the Company has not received any money as security from its employees during the financial year.
33. The Company is not maintaining any Provident Fund Account as prescribed under Section 418 of the Act as it is not applicable to the Company.

for Grover Ahuja & Associates
Company Secretaries



A handwritten signature in black ink, appearing to read "Yogesh Pahuja".

Yogesh Pahuja
Partner
C.P. No. 12026

Place: New Delhi

Date: 05th September, 2014

Head Off: D-176, Defence Colony, New Delhi-110024, Ph: Ph: 41633301, 011-46772201-07

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ANNEXURE – A

1. Register of Members u/s 150.
2. Register of contracts, Companies and Firms in which Directors etc. are interested u/s 301.
3. Register of Directors, Managing Directors u/s 303.
4. Minutes Book u/s 193.
5. Register of Mortgage and Charge u/s 143(1).
6. Register of Directors Shareholding u/s 307.
7. Register of Share/ Debenture Transfer.

ANNEXURE – B

Forms and returns as filed by the company with Register of Companies, Regional Director, Central Government or other authorities during the financial year ended 31st March 2014: -

S. No.	Form No./ Return	Filed U/S	For	Challan No. & Date Of Filing	Whether Filed Within Prescribed Time Yes/No.	If Delay In Filing Whether Requisite Additional Fee Paid Yes/No
1.	Form 66	383A of the Companies Act, 1956.	Compliance Certificate for 2012-13	Q13695259 15 th October, 2013	Yes	No
2.	Form 23AC and 23 ACA	220 of the Companies Act, 1956.	Balance Sheet for 2012-13	Q15085301 21 st October, 2013	Yes	No
3.	Form 20B	159 of the Companies Act, 1956.	Annual Return for 2012-13	Q22824668 11 th November, 2013	Yes	No
4.	Form 32	161 of the Companies Act, 2013.	Appointment of Mr. Manish Kumar Gupta as Additional Director.	B98490964 13 th March, 2014	Yes	No
5.	Form 32	161 of the Companies Act, 2013.	Appointment of Mr. Kamal Ahuja as Additional Director.	C00519967 25 th March, 2014	Yes	No



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**S.C. GARG & ASSOCIATES**

Chartered Accountants

Office: 171-172, Rajendra Bhawan, Rajendra Place, New Delhi-110008

Ph. +91+11-25814009, Web: casubhash.com,E-Mail: scg171@gmail.com**Independent Auditors Report**

The Members,
M/s Durgesh Merchants Limited
New Delhi

Report on the Financial Statements

We have audited the accompanying financial statements of **M/s Durgesh Merchants Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2014**, and the Statement of Profit and Loss 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.

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, 2014;
- (b) In the case of the Statement of Profit and Loss, of the profit 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 issued by the Central Government of India, in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said 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 and Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet and Statement of Profit and Loss, comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the company.

For S.C. GARG & ASSOCIATES

Chartered Accountants

(FRN A 006873N)

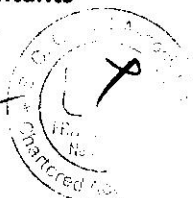
Subhash Garg

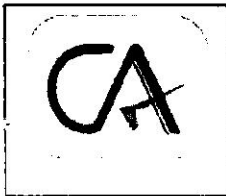
(Partner)

Membership No. 085615

Place: New Delhi

Date: 30/07/2014





S.C. GARG & ASSOCIATES

Chartered Accountants

Office: 171-172, Rajendra Bhawan, Rajendra Place, New Delhi-110008

Ph. +91+11-25814009, Web: casubhash.com,

E-Mail: scg171@gmail.com

Annexure to Auditors' Report

Referred to in Paragraph 1 of the Auditors' Report of even date to the Members of M/s Durgesh Merchants Ltd. on the financial statement for the year ended 31st March, 2014.

- i) The Company has not owned any fixed assets during the year. Hence, this provision is not applicable.
- ii) (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

(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.

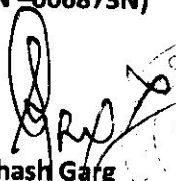
(c) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the books records.
- iii) The Company has neither taken nor granted secured or unsecured loans during the year from companies, firms and parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- iv) On the basis of information and explanations given to us it seems that there is an adequate internal control procedure commensurate with the size of the company and the nature of its business with regard to purchase of the fixed assets, inventory and sale of goods and services. During the course of our audit, no major instance of continuing failure to correct any weakness in the internal controls has been noticed.
- v) According to the information and explanations given to us, we are of the opinion that there are no transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
- vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit as per the provisions of section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975.
- vii) As per the information and explanation given by the management, we are of the opinion that the company has an internal audit system commensurate with the size and nature of its business.



- viii) In our opinion, the Central Government has not prescribed maintenance of Cost records under section 209 (i) (d) of the Companies Act, 1956 (1 of 1956).
- ix) (a) According to the information and explanation given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employee's state insurance income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, custom duty, excise duty and cess were in arrears, as at 31st March, 2014 for a period of more than six months from the date they become payable.
- x) In our opinion, the accumulated losses of the company are not more than fifty percent of its net worth. The company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xi) According to the information and explanations given to us, the company has not taken any loan and / or from bank, financial institution or debenture holder. Accordingly, the provisions of clause (xi) the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xii) As per the information and explanation given to us, we are of the opinion that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities during the year.
- xiii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xiv) In our opinion, the company is trading in shares, securities, debentures and other investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.
- xv) According to the information and explanations given to us, the company has not given any guarantees for loan taken by others from bank or financial institution.
- xvi) As per the information and explanation, the company has not raised any term loan during the year.
- xvii) According to the information and explanations given to us, we report that no funds raised on short-term basis have been used for long term investments by the company.

- xviii) According to the information and explanations given to us and on an overall examination the company has not made preferential allotment of shares. Accordingly, the provisions of clause (xviii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xix) According to the information and explanations given to us, the company has not issued debenture. Accordingly, the provisions of clause (xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xx) During the year, the company has not raised money by public issue. Accordingly, the provisions of clause (xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xxi) Based upon the audit procedures performed and as per the information and explanations given to us by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For S.C. Garg & Associates
Chartered Accountants
(FRN -006873N)


Subhash Garg
(Partner)

Membership No. 085615

Place: New Delhi

Date : 30/05/2014

DURGESH MERCHANTS LIMITED

REGISTERED OFFICE: 8/33, IIIrd Floor, Satbhava School Marg, W.E.A Karol Bagh, New Delhi-110005

Email ID: durgeshmerchants@gmail.com, CIN: U51219DL1984PLC248322, Website: www.durgeshmerchantsltd.com

Balance Sheet As At 31st Mar' 2014

CIN: U51219DL1984PLC248322

Particulars	Note No.	Amt. As at 31.03.2014	Amt. As at 31.03.2013
I. EQUITY AND LIABILITIES			
(1) Shareholders Fund			
(a) Share Capital	3.1	4,960,000	4,960,000
(b) Reserve And Surplus	3.2	(53,962)	(393,978)
(2) Share Application Money Pending Allotment		2,880,000	-
(3) Current Liabilities			
(a) Trade Payables	3.3	-	-
(b) Other Current Liabilities	3.4	5,800	3,300
(c) Short Term Provisions	3.5	594,522	3,656
TOTAL		8,386,360	4,572,978
II. ASSETS			
(1) Current Assets			
(a) Inventories	3.7	816,563	816,563
(b) Cash & Cash Equivalents	3.8	3,429,261	126,396
(c) Trade Receivables	3.9	781,482	781,482
(d) Short Term Loans And Advance	3.10	2,890,900	2,725,000
(e) Other Current Assets	3.11	468,154	123,537
TOTAL		8,386,360	4,572,978

The notes referred to above are an integral part of Balance Sheet
As per our Audit Report of even date attached

For S.C. Garg & Associates
Chartered Accountants
Firm Reg. No. 006873N

Subhash Garg
Partner
M.No. 085615



Date: 30/05/2014
Place: New Delhi

For Durgesh Merchants Limited

Manish kumar Gupta
Director
DIN: 05331936

Rajendra Pal Garg
Director
DIN: 00525574

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For Durgesh Merchants Limited

Director



DURGESH MERCHANTS LIMITED

REGISTERED OFFICE: 8/33, IIIrd Floor, Satbhraha School Marg, W.E.A Karol Bagh, New Delhi-110005

Email ID: durgeshmerchants@gmail.com, CIN:U51219DL1984PLC248322, Website: www.durgeshmerchantsltd.com

Statement of Profit & Loss for the Year Ended 31st Mar' 2014

CIN: U51219DL1984PLC248322

Particulars	Note No.	Amt. As at 31.03.2014	Amt. As at 31.03.2013
I. INCOME			
(1) Income From Operations	3.12	1,563,350	44,341
(2) Other Income	3.13	14,135	8,404
TOTAL INCOME		1,577,485	52,745
II. EXPENSES			
(1) Cost Of Material Consumed		-	-
(2) Purchase of Stock in Trade	3.15	365,750	-
(3) Change in Inventories	3.14	-	225,000
(4) Employee Benefit Expenses	3.15	35,800	-
(5) Depreciation & Ammortisation Expenses		-	-
(6) Finance Cost	3.15	-	209
(7) Other Expenses	3.15	577,280	318,445
TOTAL EXPENSES		978,830	543,654
Profit Before Exceptional & Extraordinary Items & Tax		598,655	(490,909)
Exceptional Items		-	130,500
Profit Before Extraordinary Items & Tax		598,655	(360,409)
Extraordinary Items		-	-
Profit Before Tax		598,655	(360,409)
Tax Expenses			
(1) Current Tax		262,295	-
(2) Deferred Tax Assets/ (liabilities)		-	-
(3) Previous year adjustments		3,656	-
Profit / (Loss) For the Period		340,016	(360,409)
Earning Per Share			
(1) Basic	3.20	0.69	(0.73)
(2) Diluted	3.20	0.69	(0.73)

The notes referred to above are an integral part of Balance Sheet

As per our Audit Report of even date attached

For S.C. Garg & Associates

Chartered Accountants

Firm Reg. No. 006873N

Subhash Garg

Partner

M.No. 085615

Date: 30/05/2014

Place: New Delhi

For Durgesh Merchants Limited

Manish Kumar Gupta

Director

DIN: 05331936

Rajendra Pal Garg

Director

DIN: 00525574

CERTIFIED TRUE COPY
For Durgesh Merchants Limited



DURGESH MERCHANTS LIMITED

REGISTERED OFFICE: 8/33, IIIrd Floor, Satbhraha School Marg, W.E.A Karol Bagh, New Delhi-110005

Email ID: durgeshmerchants@gmail.com, CIN:U51219DL1984PLC248322, Website: www.durgeshmerchantsltd.com

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1. COMPANY OVERVIEW

M/s Durgesh Merchants Limited is a Company incorporated under the provision of Companies Act, 1956 on 27th December, 1984 to carry on the business of buyers, sellers, importers, exporters, agents, dealers and suppliers of agricultural products, fertilizers, iron and steel, mineral products, engineering goods, components, dyes, chemicals, pharmaceuticals products etc.

The company is registered with Reserve Bank of India, bearing Registration No. B.06.00133 U/s 45-IA issued by the Reserve Bank of India in terms of applicable provisions of the Act.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. ACCOUNTING CONVENTION

The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis unless otherwise disclosed by way of note.

• These accounts have been prepared under the historical cost conventions, on accrual basis and on the accounting principles of a going concern.

• Accounting policies unless specifically stated to be otherwise are consistent and are in consonance with generally accepted accounting principles.

• The Accounting Standards and relevant guidelines notes issued by the Institute of Chartered Accountants of India and relevant provisions of the Companies Act, 1956.

2.2. FIXED ASSETS

Fixed Assets are stated at cost less accumulated depreciation. Cost comprises of freight, duties, taxes, interest and other incidental expenses related to acquisition and installation.

2.3. INVESTMENTS

Long term investments are stated at cost less provision for diminution in value other than temporary if any.

2.4. INVENTORIES

Inventories are valued at lower of cost or net realizable value. Cost of inventories is computed on a FIFO basis. Finished Goods and Work in progress included raw material cost, Cost of conversion and other cost in bringing the inventories to their present location and condition.

2.5. DEPRECIATION AND AMMORTIZATION

Depreciation is charged under the written down value method in accordance with the rates and manner specified in Schedule XIV to the Companies Act, 1956.

2.6. IMPAIRMENT OF ASSETS

The carrying amount of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An impairment loss is recognized wherever the carrying amount of asset exceeds its recoverable amount.

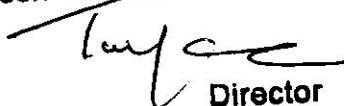
2.7. USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ due to these estimates and the difference between actual results and the estimates as are recognized in the period in which the results are known/ materialized.

2.8. REVENUE RECOGNITION

- Revenue is recognized with the dispatch of goods to the customers adopting the mercantile system of accounting.
- Other miscellaneous revenue are recognized when amount and reliability is certain.

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For Durgesh Merchants Limited


Director



2.9. BORROWING COST

Borrowing cost relating to (i) funds borrowed for acquisition of qualifying fixed assets are capitalized till the date of commissioning and thereafter charged to Profit and loss A/c and (ii) funds borrowed for other purposes are charged to Profit and Loss A/c.

2.10. FOREIGN CURRENCY TRANSACTION

The company has opted for accounting the exchange differences arising on reporting of long term Foreign Currency monetary items in line with companies (Accounting standards) Amendment rules, 2009 relating to accounting standard 11 (AS-11) notified by Government of India on 31st March, 2009.

2.11. RESEARCH AND DEVELOPMENT

Revenue expenditure charged to Profit and loss Account under respective heads of account and capital expenditure added to the cost of fixed assets in the year in which incurred.

2.12. GOVERNMENT GRANTS

Grants relating to Fixed Assets are shown as deduction from the gross value of fixed assets and those of the nature of Project Capital Subsidy Reserves and other Government Grants including export incentives are credited to Profit and loss account or deducted from the related expense.

2.13. EMPLOYEE BENEFITS

Company's contribution to Provident Fund are charged to Profit and Loss Account is accounted for on accrual basis. Gratuity under the payment of Gratuity Act is provided for on accrual basis.

2.14. TAXATION

Tax liability is estimated considering the provision of the Income Tax Act, 1961. Deferred Tax is recognized subjects to the consideration of Prudence, on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

2.15. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as result of past events it is probable that there will be an outflow of resources. Contingent liabilities, if any, are not recognized in the accounts but are disclosed by way of notes. Contingent assets are neither recognized nor disclosed in the financial statements.



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For Durgesh Merchants Limited

[Signature]
Director

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3. Notes on accounts for the year ended March 31, 2014

3.1. Share Capital

Particulars	(Amt in Rs.)	
	As at March 31,	
	2014	2013
Authorized		
40,00,000 Equity Shares of face value of Rs. 10 each (Pr. Yr. 5,00,000 Equity Shares of face value of Rs. 10 each)	40,000,000	5,000,000
	40,000,000	5,000,000
Issued, Subscribed & Paid Up Equity Shares		
4,96,000 Equity Shares of face value of Rs. 10 each, fully paid up (Pr. Yr. 4,96,000 Equity Shares of face value of Rs. 10 each, fully paid up)	4,960,000	4,960,000
Total	4,960,000	4,960,000

The Company under review has increased the authorized capital from Rs. 50,00,000/- equity shares to Rs. 40,00,000/- equity shares comprising of 40,00,000 Equity Shares of face value of Rs. 10/- each in the Extra Ordinary General Meeting held on 17th March, 2014. Further, approval is also accorded from the members of the Company to issue and allot 27,50,000/- Equity Shares of Rs. 10/- each on preferential basis to the non-promoters.

Rights, Preferences and Restrictions attached to shares

The equity shareholders have right to receive dividend out of balance of net profit remaining after payment if the pref. shareholders. The dividend proposed by Board of Directors is subject to approval of shareholders in the ensuing general meeting.

The Company has only one of class of shares referred to as equity shares having a face value of Rs. 10 each. Each holder of one equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of shares shall be entitled to remaining assets, if any, of the Company after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

The company has accepted share application money from various parties against which the company is going to increase its authorized share capital.

Reconciliation of the number of shares outstanding

Particulars	As at March 31,	
	2014	2013
Number of shares outstanding at the beginning of the year	496,000	496,000
Add: Shares issued during the year	-	-
Number of shares outstanding at the end of the year	496,000	496,000

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31,			
	2014		2013	
	No of Shares	% Holding	No of Shares	% Holding
M/s Sunlog Credits Private Limited	45,000	9.07%	45,000	9.07%
R.P Garg	30,000	6.05%	12,500	2.52%
Total	75,000	15.12%	57,500	11.59%

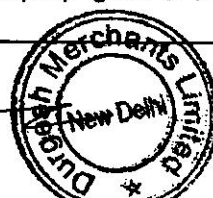
3.2. Reserves & Surplus

Particulars	(Amt in Rs.)	
	As at March 31,	
	2014	2013
(A) Statutory Reserve Fund (as required under section 45-IC of Reserve Bank of India Act, 1934)		
Opening Balance	-	-
Add: Current year transfer	68,125	-
Add: Transfer of profit from the past years to Statutory Reserve Fund	140,353	-
Total	208,479	-
(c) Surplus Of Profit & Loss Account		
Balance in the Profit & Loss Account - Opening	(393,978)	(33,568)
Add: Profit/ (Loss) during the year	340,016	(360,409)
Less: Transfer to Reserve Fund	68,125	-
Less: Transfer of profit from the past years to Statutory Reserve Fund	140,353	-
Balance in the Profit & Loss Account - Closing	(262,440)	(393,978)
Total	(53,962)	(393,978)

The Company has created reserve under section 153 of the RBI Act of Rs. 68,125/- @20% of the current year profit and of Rs. 1,40,353/- of the last years.

For Durgesh Merchants Limited

Director



Trade Payables		(Amt in Rs.)	
Particulars		As at March 31,	
		2014	2013
SI Undertakings		-	-
Others		-	-
Total		-	-

Disclosure of Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the "micro, small & medium enterprises development act 2006". Amount overdue as on 31st March, 2014, to micro, small & medium enterprises on account of principal amount together with interest, aggregate to Rs. Nil.

3.4. Other Current Liabilities		(Amt in Rs.)	
Particulars		As at March 31,	
		2014	2013
Audit Fees Payable		5,800	3,300
Total		5,800	3,300

3.5. Short Term Provisions		(Amt in Rs.)	
Particulars		As at March 31,	
		2014	2013
Provision for Income Tax- Previous Years		-	3,656
Provision for Income Tax- Current Year		262,295	-
Provision for Standard Assets		7,227	-
Provision for Increase in Authorised Capital		325,000	-
Total		594,522	3,656

3.7. Inventories		(Amt in Rs.)	
Particulars		As at March 31,	
		2014	2013
Stock in hand		816,563	816,563
Total		816,563	816,563

3.8. Cash & Cash Equivalents		(Amt in Rs.)	
Particulars		As at March 31,	
		2014	2013
Balances with Banks		-	-
Union Bank of India		40,160	26,118
Kotak Mahindra Bank		3,070,313	-
Cash on hand		318,788	100,278
Total		3,429,261	126,396

3.9. Trade Receivables		(Amt in Rs.)	
Particulars		As at March 31,	
		2014	2013
Unsecured, considered good		-	-
Debts outstanding for a period exceeding 6 months		-	-
SKI Capital Services Ltd		781,482	781,482
Unsecured, considered doubtful		-	686,000
Less: Provision for doubtful debts		-	686,000
Total		781,482	781,482

3.10. Short Term Loans and Advance

Particulars	(Amt in Rs.)	
	As at March 31,	
	2014	2013
Bharat Yarn Traders	1,702,500	1,500,000
Kal Bros Pvt Ltd	-	50,000
RK Bansal Finance Ltd	1,163,400	1,050,000
Total Cares Pvt Ltd	25,000	125,000
Total	2,890,900	2,725,000

3.11. Other Current Assets

Particulars	(Amt in Rs.)	
	As at March 31,	
	2014	2013
Ludhiana Stock Exchange	76,914	-
ROC refund receivable	200,000	-
TDS Recoverable- Previous Years	79,200	83,630
TDS Recoverable F.Y. 2013-14	107,610	-
Interest Receivable	-	39,907
Income Tax Refund - F.Y. 2012-13	8,430	-
Total	468,154	123,537

3.12. Income from Operation

Particulars	(Amt in Rs.)	
	As at March 31,	
	2014	2013
Sale of Shares	612,350	-
Income from financial operations	951,000	44,341
Total	1,563,350	44,341

3.13. Other Income

Particulars	(Amt in Rs.)	
	As at March 31,	
	2014	2013
Dividend Income	14,135	8,404
Total	14,135	8,404

3.14. Change In Inventories

Particulars	(Amt in Rs.)	
	As at March 31,	
	2014	2013
Opening Stock	816,563	1,041,563
Less: Closing Stock	816,563	816,563
Total	-	225,000

3.15. Expenses

Particulars	(Amt in Rs.)	
	As at March 31,	
	2014	2013
Purchases		
Purchases of Shares	365,750	-
Finance Cost	365,750	-
Bank Charges	-	209
Employee Benefit Expenses	-	209
Staff Salary	30,000	-
Staff welfare Expenses	5,800	-
Other Expenses	35,800	-
Payment to Auditors		
Auditors Remuneration	2,500	1,100
Others		
- Professional Expenses	11,000	11,000
- Accounting Charges	11,000	-
- Bad Debts written off	-	297,000
- Advertisement Expenses	6,845	6,845
- Printing & Stationery	845	-
- Stock Exchange Fees	167,666	-
- CDSL Fees	22,472	-



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For Durgesh Merchants Limited

Director

- RTA Fees	20,225	-
- ROC Fees	2,500	2,500
- Provision for Standard Assets	7,227	-
- Provision for Increase in Authorised Capital	325,000	-
Total	577,280	318,445

3.16. There is no liability provided on the account of Contingent Liabilities in the current year as well as in the previous year.

3.17. There is no managerial remuneration provided to the directors during the year.

Particulars	(Amt in Rs.)	
	Current Year	Previous Year
Salary	NIL	NIL
Conveyance Allowance (Money value perquisites)	NIL	NIL
Sitting Fees	NIL	NIL

3.18. Related Party Transactions during the year as per Accounting Standard 18:-

Disclosure details pertaining to related party transactions (as certified by the management of the Company) entered into during the year in terms of Accounting Standards AS-18 "Related party disclosures" as issued by ICAI:-

1. Key Managerial Personnel:

R.P. Garg Director
Kamal Ahuja Additional Director
Manish Kumar Gupta Additional Director

2. Relative of Key Managerial Personnel: NIL

3. Parties in which the Key Managerial Personnel/ Director(s) of the Company is/are interested:
-M/s Saransh Buildcon Private Limited

4. Details of transactions under the ordinary course of business between Company and related parties during the year and the status of outstanding balances as on 31st March 2014 is :-

Particulars	Relationship	Opening Balance	Addition during the year	Deletion during the year	Closing Balance
Saransh Buildcon Pvt Ltd	Common Director	-	287,277	287,277	-

3.19. In the opinion of the Board of Directors the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which these are stated in the Balance Sheet and provisions for all liabilities have been made.

3.20. As per Accounting Standard (AS-20) on Earning per share (EPS) issued by ICAI, the particulars of EPS for the equity shareholders are as below:

Particulars	2013-14	2012-13
(a) Net Profit/(loss) as per Profit & Loss Account (Rs.)	340,016	(360,409)
(b) Average No of Ordinary Share Outstanding	496,000	496,000
(c) EPS (Basic/ Diluted) [(a)/(b)]	0.69	(0.73)
(d) Face Value of each equity share (Rs.)	10	10

3.21. Foreign Exchange Earnings & Expenditure -NIL

3.22. Previous year figures have been regrouped and rearranged wherever considered necessary to comply with the requirements of revised Schedule VI to make them comparable with those of the current year.

For S.C. Garg & Associates
Chartered Accountants

Firm Reg. No. 006873N

For Durgesh Merchants Limited

Subhash Garg
Partner

M.No. 085615

Date:

Place: New Delhi

Manish Kumar Gupta

Director

DIN: 05331936

Rajendra Pal Garg

Director

DIN: 00525574

CERTIFIED TRUE COPY

For Durgesh Merchants Limited

Director

DURGESH MERCHANTS LIMITED

REGISTERED OFFICE: 8/33, IIIrd Floor, Satbhraa School Marg, W.E.A Karol Bagh, New Delhi-110005

Email ID: durgeshmerchants@gmail.com, CIN:U51219DL1984PLC248322, Website: www.durgeshmerchantsltd.com

Cash Flow Statement For The Year Ended 31st March, 2014		
CIN: U51219DL1984PLC248322		
Particulars	Amount as on 31.03.2014	Amount as on 31.03.2013
Cash flow from operating Activities		
Profit before tax and after depreciation	598,655	(360,409)
Add: Depreciation	-	-
Operating Profits before working capital changes	598,655	(360,409)
Less: Increase in working capital	-	1,521,241
Add: Decrease in working capital	82,849	-
Profit before tax	681,504	(1,881,650)
Current Income Tax	262,295	-
Cash Flow From Operating Activities Before Exceptional & Extraordinary Items	419,209	(1,881,650)
Exceptional Items	3,656	-
Cash Flow From Operating Activities Before Extraordinary Items	422,865	(1,881,650)
Extraordinary Items	-	-
Net Cash Flow from operating activities (A)	422,865	(1,881,650)
Cash Flow From Investing Activities		
Sale of Flat	-	1,869,500
Net cash flow from investing activities (B)	-	1,869,500
Cash Flow From Financial Activities		
Share Application money received	2,880,000	-
Net Cash Flow From Financing Activities (C)	2,880,000	-
Net Cash Flow During the year (A+B+C)	3,302,865	(12,150)
Add: Opening Cash And Cash Equivalents	126,396	138,547
Closing Cash Balance Cash And Cash Equivalents	3,429,261	126,396

Notes:

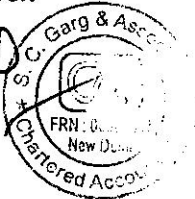
- The above Cash Flow Statement has been prepared under the indirect method set out in AS-3 on 'Cash Flow Statement' as notified under Companies (Accounting Standard) Rules, 2006.
- Include both long-term and short-term assets/ liabilities.
- Fixed deposits have been included in the operating activities, since it is directly attributable to the primary revenue generating operations of the Company.

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Previous year figures have been regrouped/ reclassified wherever necessary to conform to the current year classification.

For S.C. Garg & Associates
Chartered Accountants
Firm Reg No. 006873N

Subhash Garg
Partner
M.No. 085615



For Durgesh Merchants Limited

Manish Kumar Gupta
Director
DIN: 05331936

Rajendra Pal Garg
Director
DIN: 00525574

Date: 30/03/2014
Place: New Delhi

CERTIFIED TRUE COPY
For Durgesh Merchants Limited

Director

