

# **33RD ANNUAL REPORT 2016-17**

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*DURGESH MERCHANTS LIMITED*

*(CIN: L51219DL1984PLC248322)*

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## **COMPANY INFORMATION**

CIN:	L51219DL1984PLC248322		
BOARD OF DIRECTORS:	<p><b>Ms. Jayanti Sharma</b> (DIN: 05285845): (Director)</p> <p><b>Mr. Kamal Ahuja</b> (DIN: 00005195): (Additional Director)</p> <p><b>Ms. Poonam Ahuja</b> (DIN: 05351468) (Additional Director)</p> <p><b>Mr. Krishan Karthik</b> (DIN: 07079790): (Independent Director)</p> <p><b>Mr. Yash Malhotra</b> (DIN: 07596446 ) (Additional Non -Executive Director)</p> <p><b>Ms. Surbhi Sharda</b>(DIN: 07739608) (Additional Non - Executive Director)</p>		
COMPANY SECRETARY AND COMPLIANCE OFFICER :	Mr. Praveen Parbhaker Tiwari		
BOARD COMMITTEES:			
A. AUDIT COMMITTEE :			
S. NO.	NAME OF MEMBERS	DESIGNATION	CATEGORY
1.	Mr. Krishan Kartik	Member	Non-Executive & Independent Director
2.	Mr. Yash Malhotra	Member	Non-Executive Additional Independent Director
3.	Ms. Jayanti Sharma	Member	Non-Executive Director

**B. NOMINATION AND REMUNERATION COMMITTEE :**

S. NO.	NAME OF MEMBERS	DESIGNATION	CATEGORY
1.	Mr. Krishan Kartik	Chairman	Non-Executive & Independent Director
2.	Mr. Yash Malhotra	Member	Non-Executive Additional Independent Director
3.	Ms. Jayanti Sharma	Member	Non-Executive Director

**C. SHARE TRANSFER COMMITTEE :**

S. NO.	NAME OF MEMBERS	DESIGNATION	CATEGORY
1.	Mr. Rajendra Pal Garg*	Chairman	Non-Executive Director
2.	Ms. Jayanti Sharma	Member	Non-Executive Director
3.	Mr. Krishan Kartik	Member	Non-Executive & Independent Director

**D. FINANCE & INVESTMENT COMMITTEE :**

S. NO.	NAME OF MEMBERS	DESIGNATION	CATEGORY
1.	Mr. Krishan Kartik	Chairman	Non-Executive & Independent Director
2.	Ms. Jayanti Sharma	Member	Non-Executive Director
3.	Mr. Rajendra Pal Garg*	Member	Non-Executive Director

**\*Rajendra Pal Garg resigned from the post of Director of the Company w.e.f. 29<sup>th</sup> March, 2017.**

<b>SECRETARIAL AUDITOR :</b>	<b>M/s S Munjal and Associates</b> <b>Address:</b> C-301, Surajmal Vihar, Delhi-110092 <b>Contact No.:</b> 011-43053987
<b>BANKERS:</b>	<b>Kotak Mahindra Bank</b>
<b>STATUTORY AUDITORS:</b>	<b>M/s Krishan Rakesh &amp; Co.</b> <b>(Chartered Accountants)</b> <b>Address:</b> 143, Kohat Enclave, 2nd Floor, Pitampura, Delhi-110034, <b>Contact No. :</b> 011-45182170
<b>REGISTERED OFFICE:</b>	<b>D-220, Basement, Defence Colony, New Delhi-110024</b>
<b>REGISTRAR &amp; SHARES TRANSFER AGENT:</b>	<b>Skyline Financial Services Pvt. Ltd.</b>  <b>Address:</b> D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 <b>Contact No:</b> 011-64732681-88
<b>ISIN NO.:</b>	<b>INE616Q01011</b>
<b>COMPANY WEBSITE:</b>	<b><a href="http://www.durgeshmerchantsltd.com">www.durgeshmerchantsltd.com</a></b>
<b>E-MAIL:</b>	<b><a href="mailto:durgeshmerchants@gmail.com">durgeshmerchants@gmail.com</a></b>

## **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the 33<sup>rd</sup> (Thirty third) Annual General Meeting of the Members of **Durgesh Merchants Limited** will be held on Wednesday, **the 20<sup>th</sup> day of September, 2017** at **10:00 a.m.** at **D-220, Basement, Defence Colony, New Delhi-110024** to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet for the financial year ended 31<sup>st</sup> March, 2017, together with the Profit and Loss Account for the financial year ended on that date along with schedules appended thereto and the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Jayanti Sharma (DIN: 05285845), who retires by rotation and being eligible, offers herself for re-appointment.
3. To ratify the appointment of **M/s Krishan Rakesh & Company, Chartered Accountants (FRN: 009088N)** as Statutory Auditors of the Company.

### **SPECIAL BUSINESS**

4. **TO REGULARISE MS. POONAM AHUJA (DIN: 05351468) AS A DIRECTOR OF THE COMPANY**

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 Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to Articles of Association of the Company, Ms. Poonam Ahuja (DIN: 05351468), who was appointed as an Additional Non Executive Director of the Company on 23<sup>rd</sup> March, 2017 and who holds the office up to this annual general meeting be and is hereby appointed as a Director of the Company, whose period of office shall be liable to determination by retirement of rotation.”

5. **TO REGULARISE MR. KAMAL AHUJA (DIN: 00005195) AS A DIRECTOR OF THE COMPANY**

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 Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to Articles of Association of the Company, Mr. Kamal Ahuja (DIN:00005195), who was appointed as an Additional Non-Executive Director of the Company on 6<sup>th</sup> April, 2017 and who holds the office up to this annual general meeting be and is hereby

appointed as a Director of the Company, whose period of office shall be liable to determination by retirement of rotation.”

**6. TO APPOINT MR. YASH MALHOTRA (DIN: 07596446) AS AN INDEPENDENT DIRECTOR OF THE COMPANY IN TERMS OF SECTION 149 OF THE COMPANIES ACT, 2013**

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 Sections 149, 152, read with Schedule IV, 161 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Yash Malhotra (DIN 07596446), who was appointed as an Additional Non-Executive Independent Director of the Company on 2<sup>nd</sup> January, 2017 be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation in terms of Section 149(4), (10) & (11) and 152(6)(e) of the Companies Act, 2013 to hold office for a term of five(5) consecutive years.”

**7. TO APPOINT MS. SURBHI SHARDA (DIN: 07739608) AS AN INDEPENDENT DIRECTOR OF THE COMPANY IN TERMS OF SECTION 149 OF THE COMPANIES ACT, 2013**

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 Sections 149, 152 read with Schedule IV, 161 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to Regulation 17 of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, Ms. Surbhi Sharda (DIN: 07739608), who was appointed as an Additional Non Executive Independent Director of the Company on 22<sup>nd</sup> February, 2017 be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, in terms of Section 149(4), (10) & (11) of the Companies Act, 2013, to hold office for a term of five(5) consecutive years”

**8. TO APPOINT MR. ROHIT AHUJA (DIN:07859817) AS MANAGING DIRECTOR OF THE COMPANY**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to Articles of Association of the Company, Mr. Rohit Ahuja (DIN: 07859817), who was appointed as an Additional Non Executive Director of the Company on 30<sup>th</sup> May, 2017 and who holds the office up to this Annual General Meeting be and is hereby appointed as Executive Director of the Company.

**RESOLVED FURTHER THAT** pursuant to Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to Articles of Association of the Company, approval of the members of the Company be and is hereby accorded towards the appointment of Mr. Rohit Ahuja (DIN: 07859817) as Managing Director of the Company with effect from 20<sup>th</sup> September, 2017, upto a period of five(5) years, as well as the payment of salary, commission and perquisites (hereinafter referred to as “remuneration”), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Rohit Ahuja.

**RESOLVED FURTHER THAT** the remuneration payable shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

**RESOLVED FURTHER THAT** the members hereby authorize the Board to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors.”

**By order of the Board**  
For **DURGESH MERCHANTS LIMITED**

**Sd/-**  
**Praveen Prabhaker Tiwari**  
**(Company Secretary & Compliance Officer)**  
**Address: D-220, Basement,**  
**Defence Colony, New Delhi-110024**

**Date: 23<sup>rd</sup> August, 2017**  
**Place: New Delhi**



NOTES:

1. The Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.**

In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company.

PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION / AUTHORITY, AS APPLICABLE. An incomplete proxy form or proxy form received beyond time limit is liable to be rejected. A proxy form is enclosed.

3. Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting along with their copy of Annual Report. No extra attendance slip and/or Annual Report will be provided at the venue of the Annual General Meeting. **Also, Route map to the venue of the meeting is enclosed.**
4. Corporate Members intending to send their authorized representative(s) are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
5. Proxies shall be made available for inspection during the period beginning twenty-four hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the meeting.
6. Pursuant to section 91 of the Companies Act, 2013, the register of members and the share transfer books of the Company will remain closed from 17<sup>th</sup> September, 2017 to 20<sup>th</sup> September 2017 (both days inclusive) for the purpose of Annual General Meeting.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ M/s. Skyline Financial Services Pvt. Limited.

8. The Company is providing facility of REMOTE E-VOTING and the business may be transacted through such voting. Details instructions are provided in the notice itself.
9. The facility for voting through Ballot paper shall also be made available at the meeting and members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting.
10. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
11. The ISIN of the Equity Shares of Rs.10/- each is INE616Q01011.
12. Electronic copy of the Notice of Annual General Meeting and Annual Report 2016-17 is being sent to all the members whose email IDs are registered with the Company/Depositories for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Notice of Annual General Meeting and Annual Report 2016-17 is being sent in the permitted mode.
13. All the material documents, Resolutions, Memorandum and Articles of Association of the Company etc. are open for inspection to the members during the office hour of all working day till the conclusion of the Annual General Meeting at the registered office of the Company.
14. Members are requested to notify the change in address, if any, to the Company quoting their Folio Numbers, Name and number of share held by them etc.
15. Members are requested to register their e-mail addresses with the Company or depository for receiving communications including Annual Reports, Notices and Circulars etc. by the Company electronically.
16. For security reasons, no article/baggage will be allowed at the venue of the meeting.
17. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
18. All documents referred to in accompanying Notice and Explanatory Statement shall be open for inspection by members and shall be available at the registered office of the Company on all working days during business hours from the date of this Notice up to the date of AGM.
19. The persons who have acquired shares and become members of the Company after the dispatch of notice and holding shares as on the cut-off date i.e. 15<sup>th</sup> September, 2017, then the member may obtain Login ID and other e-Voting related details from the Company.
20. Only bona fide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.

21. Additional information, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment /re-appointment at the AGM, is provided in their respective explanatory statement. The Directors being eligible, offers him for re-appointment as required under the Companies Act, 2013 and the Rules there under is also provided in the annexure to the Notice.

#### **ANNEXURE TO THE NOTICE**

#### **I. DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE LISTING REGULATION**

##### **Item No. 2**

##### **RE-APPOINTMENT OF MS. JAYANTI SHARMA AS A DIRECTOR OF THE COMPANY**

In terms of Section 152(6) of the Companies Act, 2013, Ms. Jayanti Sharma shall retire by rotation at this Annual General Meeting (AGM) and being eligible, offers herself for re-appointment.

Ms. Jayanti Sharma was appointed as a Non Executive Director w.e.f. 27<sup>th</sup> June, 2014. She is also the member of Audit Committee Meeting, Nomination and Remuneration Committee, Share Transfer Committee and Finance and Investment Committee as formed in the Company.

##### **Information about the Appointee Directors:**

##### **Ms. Jayanti Sharma**

##### **Brief Profile:**

Ms. Jayanti Sharma is a member of the Institute of Company Secretaries of India with a rich experience of more than 6 years. She is widely credited with abilities of leadership, managerial capacities and forethought. Under her supervision, Company has observed an improvement in terms of constant earnings and good amount of profits.

##### **Disclosure of relationship between Directors inter-se:**

Ms. Jayanti Sharma has no relationship with any of the Directors on Board.

Name	Ms. Jayanti Sharma
Age	33 years
Name of the other Companies in which Directorship held	1. Maharashtra Corporation Limited. 2. Lawmax Merchants Services Private Limited.
Name of the other Companies in which Committee Membership held	NIL
Shareholding in the Company	NIL

## **II. EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

### **Item No. 4 & 5:**

#### **REGULARISATION OF MS. POONAM AHUJA AND MR. KAMAL AHUJA AS DIRECTORS OF THE COMPANY**

Pursuant to the Section 161(1) of the Companies Act, 2013, Ms. Poonam Ahuja and Mr. Kamal Ahuja, were appointed as an Additional Directors with effect from 23<sup>rd</sup> April, 2017 and 6<sup>th</sup> April, 2017, respectively by the Board of Directors of the Company.

They hold the office up to the date of this Annual General Meeting but are eligible for the appointment as Directors, whose period of office shall be liable to determine by retirement by rotation.

The Company has received consent in writing to act as Directors in Form DIR-2 and intimations in Form DIR-8 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that they are not disqualified under sub- section (2) of section 164 of the Companies Act, 2013.

The Board considers that their association would be of immense benefit to the Company and it is desirable to avail their services as Directors.

Accordingly, the Board recommends the resolution Nos. 4 & 5 in relation to appointment of Ms. Poonam Ahuja and Mr. Kamal Ahuja as Directors, respectively, for the approval by the shareholders of the Company in this Annual General Meeting.

#### **Information about the Appointee Directors:**

##### **Ms. Poonam Ahuja**

##### **Brief Profile:**

Being a Fellow Member of the Institute of Company Secretaries of India (ICSI), LL.B Topper from University of Delhi, B.A. {English (H)} and PHD Corporate Governance, Ms. Poonam Ahuja is having a total work experience of more than 13 years. She has held the position of Company Secretary in a reputed Multi National Company for 5 years. She has conducted the research in Mahindra & Mahindra Group about the Corporate Governance norms. She has been practicing as a Company Secretary for more than a decade.

She has gained expertise in dealing with Stock Exchange and SEBI matters. She possesses in-depth knowledge in the areas of due diligence, compliance management, take-over/acquisition, listing and de-listing of Companies.

She has been advisor to Prasar Bharti and is handling the professional work of MTNL and Rural Electrification Corporation (REC) also.

**Disclosure of relationship between Directors inter-se:**

Ms. Poonam Ahuja is spouse of Mr. Kamal Ahuja, who is also an Additional Director of the Company except him she has no other relationship with any of the Directors on Board.

Name	Ms. Poonam Ahuja
Age	42 years
Name of the other Companies in which Directorship held	1. Servitude HR Solutions Pvt. Ltd. 2. Lawmax Merchant Services Pvt. Ltd.
Name of the other Companies in which Committee Membership held	NIL
Shareholding in the Company	NIL

**Mr. Kamal Ahuja****Brief Profile**

Mr. Kamal Ahuja is a practicing Advocate and has an experience of over 15 years in the field of legal consultancy. 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.

Apart from the aforesaid, He holds vast amount of experience in the NBFC Sector. He has served as a Director in Category 'B' / Category 'A' Non Banking Financial Company.

Mr. Kamal Ahuja is an imperative person of the management of the Company. His management expertise and rich experience is continuously helping the business to develop and is further facilitating in the proposed expansion of financing business.

**Disclosure of relationship between Directors inter-se:**

Mr. Kamal Ahuja is spouse of Ms. Poonam Ahuja and is a brother of Mr. Rohit Ahuja, who are also Additional Directors of the Company, except them he has no other relationship with any of the Directors on Board.

Name	Mr. Kamal Ahuja
Age	42 years
Name of the other Companies in which Directorship held	1. Epic Advisors Pvt. Ltd. 2. Lawmax Management Consultant Pvt Ltd. 3. Shakumbri Motor And General Finance Ltd. 4. Servitude HR Solutions Pvt. Ltd. 5. Front Row Consultancy Pvt. Ltd.
Name of the other Companies in which Committee Membership held	NIL
Shareholding in the Company	21.28%

**Item No. 6 & 7:**

**APPOINTMENT OF MR. YASH MALHOTRA AND MS. SURBHI SHARDA AS INDEPENDENT DIRECTORS IN TERMS OF SECTION 149 OF THE COMPANIES ACT, 2013**

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation. The term shall be effective prospectively.

The Board of Directors of the Company has decided to adopt the provisions with respect to appointment and tenure of Independent Directors which is in consistent with the Companies Act, 2013.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Yash Malhotra and Ms. Surbhi Sharda, being eligible, offer themselves for appointment, and are proposed to be appointed as Independent Directors for a term as stated in their respective Resolutions.

Copy of the letter of appointment of Mr. Yash Malhotra and Ms. Surbhi Sharda as Independent Directors setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

Therefore, the Directors of your Company recommend the aforesaid resolutions for your consideration and approval.

**Except Mr. Yash Malhotra and Ms. Surbhi Sharda, being appointees, none of the Directors and Key Managerial personnel of the Company and their relatives are concerned or interested, financial or otherwise in the resolutions as set out in Item No.s 6 & 7. .**

The Board of Directors therefore, recommends the resolutions for appointment of **Mr. Yash Malhotra and Ms. Surbhi Sharda** as Independent Directors of the Company for approval of the members by passing Ordinary resolutions.

**Information about the Appointee Directors:**

**1. Mr. Yash Malhotra**

**Brief Profile:**

Mr. Yash Malhotra is an eminent professional, being a member of Institute of Companies Secretary of India, he is well versed in Companies law and other related laws. He possesses good management techniques and rich experience. He is competent and capable to hold the current position and provide valuable services to the Company and opinions regarding the work execution in a balanced manner. He possesses a broad vision that shall be helpful for the Company to emerge more strongly.

**Disclosure of relationship between Directors inter-se:**

Mr. Yash Malhotra has no relationship with any of the Directors on Board.

Name	Mr. Yash Malhotra
Age	28 years
Name of the other Companies in which Directorship held	1. Visagar Polytex Limited 2. Trisha Media Limited
Name of the other Companies in which Committee Membership held	NIL
Shareholding in the Company	0.0000003%

**2. Ms. Surbhi Sharda****Brief Profile**

Ms. Surbhi Sharda is a versatile player in her area of professional field. Being a member of Institute of Companies Secretaries of India, possesses good interpretation skills and have a vast knowledge in area of Companies law and other related laws. She is competent and having a caliber to hold the proposed position and provide valuable services to the Company.

**Disclosure of relationship between Directors inter-se:**

Ms. Surbhi Sharda has no relationship with any of the Directors on Board.

Name	Ms. Surbhi Sharda
Age	24 years
Name of the other Companies in which Directorship held	NIL
Name of the other Companies in which Committee Membership held	NIL
Shareholding in the Company	0.00001%

**Item No. 8:****TO APPOINT MR. ROHIT AHUJA AS MANAGING DIRECTOR OF THE COMPANY**

Based on the recommendation of the Board, Mr. Rohit Ahuja was appointed as an Additional Non-Executive Director of the Company with effect from 30<sup>th</sup> May, 2017 to hold office up to the date of this Annual General Meeting. The Board recommends changing his designation to an Executive Director in the Company and is thereby propose him to be appointed as an Executive and Managing Director of the Company, subject to the approval of the Members.

Except Mr. Kamal Ahuja, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in this resolution set out at item no.8 & 9.

Mr. Rohit Ahuja has been appointed as Managing Director for a period of 5 (Five) Years commencing from 20th September, 2017 with such remuneration as stated in agreement which will be executed by and between Board of Directors and Mr. Rohit Ahuja.

#### 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. Rohit Ahuja as Managing Director of the Company.

Therefore, the Directors of your Company recommend the aforesaid resolution for your consideration and approval as set out in Item No. 8.

#### **Information about the Appointee Director:**

The Board of Directors of the Company in its meeting held on 23th August, 2017 has accorded its consent for appointment of Mr. Rohit Ahuja as Managing Director for a period of 5 (Five) Years commencing without any remuneration, subject to the approval by members in the upcoming Annual General Meeting.

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

Mr. Rohit Ahuja, 44 years old, being equipped with immense management skills, knows how to harmonize the team with the company's goals. Having a rich experience in financial and marketing sector, with best intentions, shares a vision to put out fires instead of working to unite the people as a Team.



**Disclosure of relationship between Directors inter-se:**

Mr. Rohit Ahuja and Mr. Kamal Ahuja are brothers, being a 'relative' as per Section 2(76) of the Companies Act, 2013, who is also an Additional Director of the Company except him he has no other relationship with any of the Directors on Board.

Name	Mr. Rohit Ahuja
Age	44 years
Name of the other Companies in which Directorship held	NIL
Name of the other Companies in which Committee Membership held	NIL
Shareholding in the Company	NIL

**E-voting Instructions:**

Dear Member,

**Sub: Voting through electronic means**

Pursuant to the provision of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2015, Durgesh Merchants Limited ("the Company") is offering e-Voting facility to its members in respect of the business to be transacted at the Annual General Meeting scheduled to be held on Wednesday, the 20<sup>th</sup> day of September 2017 at 10:00 a.m. at registered office of the Company at D-220, Basement, Defence Colony, New Delhi-110024.

The Company has engaged the services of National Securities Depository Limited (NSDL) as the Authorized Agency to provide e-Voting facilities. The e-Voting particulars are set out below:

The e-Voting facility will be available during the following voting period:

- Commencement of e-Voting: 17<sup>th</sup> September, 2017 at 9:00 A.M.
- End of e-Voting: 19<sup>th</sup> September, 2017 till 5:00 P.M.
- The cut-off date for the purpose of e-Voting is 15<sup>th</sup> September 2017.

Please read the instructions printed overleaf before exercising the vote. This Communication forms an internal part of the Notice dated 23<sup>rd</sup> August, 2017 for the Annual General Meeting scheduled to be held on Wednesday, the 20<sup>th</sup> day of September 2017. The Notice of the Annual General Meeting and this communication will also be available on the website of the Company.

**Voting through electronic means**

- (i) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) 2015, the Company is pleased to provide members

facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

(ii) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

(iii) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

(iv) The remote e-voting period commences on 17<sup>th</sup> September, 2017 and ends on 19<sup>th</sup> September, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 15<sup>th</sup> September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

(v) The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :

(i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

(ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>

(iii) Click on Shareholder - Login

(iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

(v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

(vii) Select "EVEN" of Durgesh Merchants Limited.

(viii) Now you are ready for remote e-voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.

(x) Upon confirmation, the message “Vote cast successfully” will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote to the Scrutinizer through e-mail [csshikhamunjal@gmail.com](mailto:csshikhamunjal@gmail.com) with a copy marked to [evoting@nsdl.co](mailto:evoting@nsdl.co).

**B.** In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

<u><b>EVEN (Remote e-voting Event Number)</b></u>	<u><b>USER ID</b></u>	<u><b>PASSWORD/PIN</b></u>
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Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

(ii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.

(iii) If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

(iv) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

(v) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 15<sup>th</sup> September, 2017.

(vi) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 15<sup>th</sup> September, 2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [durgeshmerchants@gmail.com](mailto:durgeshmerchants@gmail.com).

(vii) However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

- (viii) A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- (ix) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- (x) Ms. Shikha Munjal (Membership No.:46656) on behalf of M/s. S Munjal & Associates, Company Secretaries has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- (xi) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of Ballot Paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- (xii) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (xiii) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchange.

**By order of the Board**  
**For DURGESH MERCHANTS LIMITED**

**Sd/-**  
**Praveen Prabhaker Tiwari**  
**Company Secretary**  
**Address: D-220, Basement,**  
**Defence Colony, New Delhi-110024**

**Date: 23<sup>rd</sup> August, 2017**  
**Place: New Delhi**

## **BOARD'S REPORT**

### **To The Shareholders**

The Board of Directors hereby submits the report of business and operations of your Company ('the Company' or 'Durgesh Merchants Limited') along with Audited Financial Statements for the Financial Year ended on 31<sup>st</sup> March, 2017.

### **1. BACKGROUND**

The Company is a Non Deposit Accepting Non-Banking Finance Company ("NBFC"), holding a Certificate of Registration (B-14.03319), from the Reserve Bank of India ("RBI") dated September 11, 2015 (former COR No. 06.00133 dated May 14, 2002 pertained to RBI Chandigarh).

### **2. STATE OF COMPANY'S AFFAIR**

With the expected positive momentum in the Indian economy, the Company is focused on growth and achieving profitability along with a renewed commitment to enhance quality and customer service and to reduce costs. Innovations, investment and positive modifications are expected in the near future, boosting the Company's revenues. Together with forward looking strategy, the Company is also focusing extensively on expanding the business and operational improvements through various strategic projects for operational excellence and cost cutting initiatives.

### **3. FINANCIAL RESULTS**

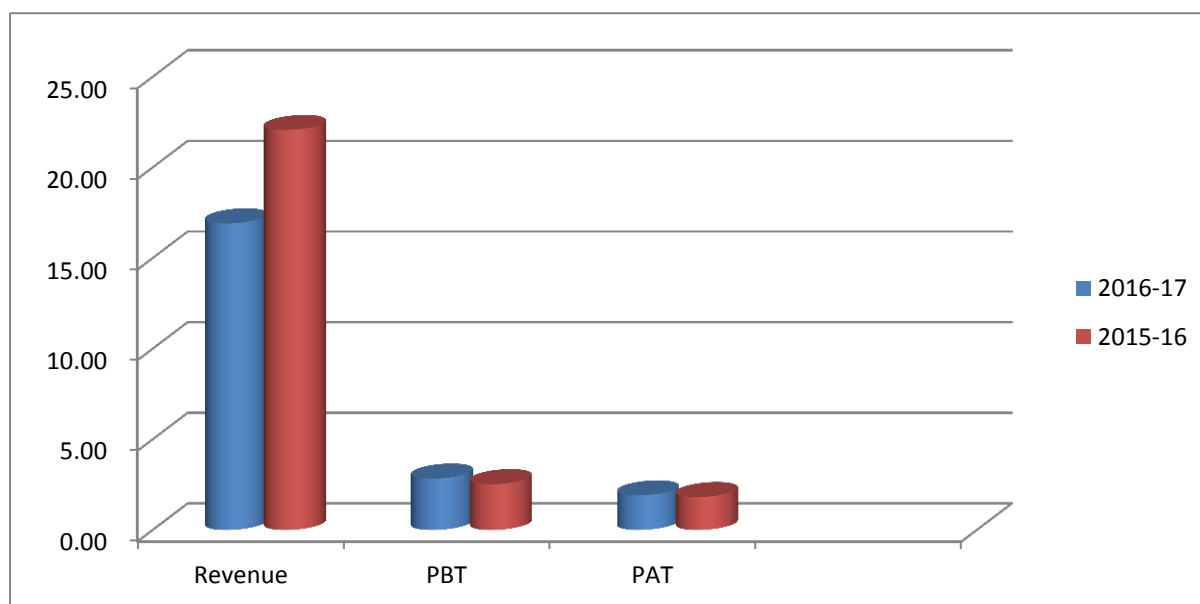
<b>Particulars</b>	<b>Amount (Rs.) As at 31<sup>st</sup> March, 2017</b>	<b>Amount (Rs.) As at 31<sup>st</sup> March, 2017</b>
<b>Total Income</b>	16,91,676	2,206,594
Less: Total Expenditure	14,07,915	19,53,281
<b>Profit before Exceptional and Extraordinary items &amp; tax</b>	2,83,761	2,53,313
Less: Extraordinary & Prior period items	-	-

<b>Profit before tax</b>	<b>2,83,761</b>	<b>2,53,313</b>
Less: Tax Expenses		
(1) Current tax	95,700	58,700
(2) Deferred Tax	1,233	(1,233)
(3) Previous year adjustments	1,232	11,420
<b>Profit/ (Loss) after tax</b>	<b>1,90,526</b>	<b>1,81,960</b>
<b>Earning Per Share</b>		
(1) Basic	0.10	0.04
(2) Diluted	0.10	0.04

The Financial performance of the Company for the financial year ended 31<sup>st</sup> March, 2017 is summarized below:-

#### 4. OPERATIONAL PERFORMANCE

During the year under review, the revenue reported is Rs. 16.91 Lakh as compared to Rs. 22.07 Lakh in the previous year. Profit before tax for the current year is Rs. 2.84 Lakh as compared to Rs. 2.53 Lakh in the previous year, with a percentage change of 10.92% increase; Profit after tax for the current year is Rs. 1.91 Lakh as compared to Rs. 1.82 Lakh in the previous year with a percentage increase of 4.72%.



## 5. DIVIDEND

In view of the planned business growth, your Directors deem it proper to preserve the resources of the Company for its activities and therefore, do not propose any dividend for the Financial Year ended 31<sup>st</sup> March, 2017.

The Company needs further funds to enhance its business operations, to upgrade the efficiency and to meet out the deficiencies in working capital before recommending Dividend in any further financial year.

## 6. RESERVES AND SURPLUS

The Company has Rs. 4.96 Lakh in the Reserve and Surplus. Out of which, the Company has transferred a surplus of Rs. 0.55 Lakh as required under Section 45-IC of RBI Act, 1934 to the Statutory Reserve. Other than this, the Company is not transferring any amount to reserve out the current year's surplus.

## 7. CHANGE IN MANAGEMENT/CONTROL OF THE COMPANY

During the Financial Year 2016-17, Management Control of the Company was completely acquired by Mr. Kamal Ahuja ("Acquirer") on completion of Open Offer ("the Offer") made to the shareholders of the Company in compliance with Reg 3(1) along with Reg 4 of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, through a Share Purchase Agreement ("SPA") dated 23<sup>rd</sup> March, 2015, with the former promoter and promoter group of the Company, for acquisition of 75600 (seventy five thousand six hundred) equity shares (representing 2.83% of total equity share capital of the Company), at a price of Rs. 10/- (Rupees Ten only) per share with the objective of taking complete management control.

SEBI had issued an observation approving the Offer, subject to the receipt of statutory and other approvals in its letter no. CFD/DCR-1/24343/15, dated 27<sup>th</sup> August, 2015, references to the Regulation 3(1) of the SEBI (SAST) Regulation.

The Company, being an NBFC, had already filed an Application, dated 23<sup>rd</sup> March, 2015, seeking prior approval of RBI for change in management/ control pursuant to RBI Notification No. DNBS (PD)CC.No.376/03.10.001/2013-14, dated May 26, 2014 (amended as DNBR (PD) CC.No. 065/03.10.001/2015-16 dated 9<sup>th</sup> July, 2015). The said approval was granted by RBI during the current year vide Letter No. **DNBS (ND) CMS-V/ No. 1554 /05.04.107/2016-17, dated 30<sup>th</sup> December, 2016.**

The final Letter of Offer dated 9<sup>th</sup> January, 2017 issued by the Manager to the Offer for acquisition upto 694200 (Six Lakh Ninety Four Thousand and Two Hundred) Equity Shares of the face value of Rs. 10/- each (Rupees Ten Only), plus interest for delay in the schedule@ of 10% per annum, aggregating to Rs. 11.66/- per share (Rupees Eleven and

Sixty Six Paisa) representing in aggregate 26% of the fully paid up Equity Share capital of the Target Company at a price of Rs. 10/- (Rupees Ten Only) per fully paid up Equity Share of Rs. 10 each.

The tendering period for the Offer commenced from 17<sup>th</sup> January, 2017 and concluded at 1<sup>st</sup> February, 2017. On closure of said period, an acquisition of 312500 (Three Lakh Twelve Thousand Five Hundred) equity shares (representing 18.44% shareholding of total equity shares capital) at a price of Rs. 11.66/- per share (Rupees Eleven and Sixty Six Paisa) was made by the Acquirer.

Furthermore, pursuant to RBI letter no. DNBS (ND) CMS-V/ No. 1554. 05.04.107/2016-17 dated December 30, 2016, a joint public notice was published by the Acquirer and the Company, for inviting from any member whose interest is likely to be affected by the proposed change in management of the Company, within 30 days from the publication of notice and in this regard no objection from any member has been received.

Thereafter the control was transferred to the new promoter of the Company i.e. Mr. Kamal Ahuja.

Also, subsequent to the RBI approval for change in management/control of the Company, Dr. Poonam Ahuja and Ms. Sonia Khenduja were introduced as a part of the new management.

## **8. SHARE CAPITAL**

During the year under review, the share capital of the Company remains unchanged and the Company has also not issued any equity shares with differential rights and sweat equity shares.

## **9. LISTING OF SECURITIES**

Since 2014, the securities of the Company are listed on the Calcutta Stock Exchange Limited and the Annual listing fees for the year 2016-17 has been duly paid to the Stock Exchange.

## **10.DETAILS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES**

The Company has one subsidiary namely, Innowiz Traders Private Limited.

Further, the Company does not have any associates and joint venture companies. The disclosure of particulars with respect to information related to performance and financial position of joint ventures or associate Companies subject to rule 8(1) and 8(5)(iv) of Companies (Accounts) Rules, 2014 is not applicable.

## **11.BRANCHES OF THE COMPANY**

During the period under review, the Company doesn't have any branch office.



## 12.DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from the public during the year and it continues to be a Non-Banking Financial Company in conformity with the Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the Balance Sheet.

## 13.PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTIES U/S 188(1)

During the year under review, the Company has not entered into any contract or arrangement with the Related Parties as per Section 188 of the Companies Act, 2013 (the Act).

## 14.DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) APPOINTED / RESIGNED DURING THE YEAR

Pursuant to the provisions of the Companies Act, 2013 and the Company's Articles of Association, Ms. Jayanti Sharma, Director, retires by rotation and, being eligible, offers herself for re-appointment.

During the year under review, the following changes occurred in the position of Directors/KMPs of the Company:

### LIST OF DIRECTORS AS ON 31<sup>st</sup> MARCH, 2017:

S. No.	Name	Designation	Date of Appointment	Change
1.	Mr. Rajendra Pal Garg	Director	27/07/1989	29/03/2017
2.	Ms. Jayanti Sharma	Director	27/06/2014	-
3.	Mr. Krishan Kartik	Independent Director	29/01/2015	-
4.	Ms. Supriya Sinha	Independent Director	09/03/2015	09/10/2016
5.	Mr. Yash Malhotra	Additional Non-Executive Independent Director	02/01/2017	-
6.	Ms. Surbhi Sharda	Additional Non-Executive Independent Director	22/02/2017	-
7.	Ms. Poonam Ahuja	Additional Director	22/03/2017	-
8.	Ms. Sonia Khenduja*	Additional Director	22/03/2017	-

\*Ms. Sonia Khenduja resigned from the post of Additional Director of the Company w.e.f. 6<sup>th</sup> April, 2017.

#### **LIST OF KEY MANAGERIAL PERSONNEL (KMP) AS ON 31<sup>st</sup> MARCH, 2017**

<b>S.No.</b>	<b>Name</b>	<b>Designation</b>	<b>Date of Appointment</b>	<b>Change</b>
1.	Mr. Praveen Prabhaker Tiwari	Company Secretary & Compliance Officer	0/11/2016	-
2.	Mr. Vipul Chadha	Chief Financial Officer	23/03/2015	26/04/2016

#### **15. MEETINGS HELD DURING THE FINANCIAL YEAR 2016-2017**

The Agenda and Notice of the Meetings were circulated well in advance to the respective Directors. During the year under review, 11(Eleven) Board Meetings, 6 (Six) Audit Committee Meetings, 1 (One) Nomination and Remuneration Committee, 1 (One) Independent Director's Committee Meeting ,(NIL) Share Transfer Meeting and (NIL) Finance & Investment Committee Meeting, were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 i.e. the maximum interval between any two meetings did not exceed 120 days.

#### **16. COMPOSITION OF COMMITTEES OF THE BOARD AS ON 31<sup>ST</sup> March 2017:**

##### **a) AUDIT COMMITTEE:**

In compliance with the provisions of Section 177 of the Companies Act, 2013, the primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurately and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The composition of Audit Committee of the Company is as following:

<b>S. No.</b>	<b>Name of Member</b>	<b>Designation</b>	<b>Category</b>
1.	Mr. Krishan Kartik	Chairman	Non- Executive & Independent Director
2.	Ms. Jayanti Sharma	Member	Non- Executive Director
3.	Mr. Yash Malhotra*	Member	Additional Non-Executive Independent Director

\* Mr. Yash Malhotra appointed as an Additional Non Executive Independent Director of the Company w.e.f. 2<sup>nd</sup> January, 2017.

The Board has accepted all the recommendations proposed by Audit Committee during the Financial Year.

#### **b) NOMINATION AND REMUNERATION COMMITTEE:**

In compliance with provisions of 178(1) of the Companies Act, 2013, the purpose of the Committee is to screen and review individuals qualified to serve as executive directors, non-executive directors and independent directors and to review their remuneration, consistent with criteria approved by the Board, and to recommend, for approval by the Board. The composition of Nomination and Remuneration Committee of the Company is as follows:

<b>S. No.</b>	<b>Name of Member</b>	<b>Designation</b>	<b>Category</b>
1.	Mr. Krishan Kartik	Chairman	Non- Executive & Independent Director
2.	Ms. Jayanti Sharma	Member	Non- Executive Director
3.	Mr. Yash Malhotra*	Member	Additional Non- Executive Independent Director

\*Mr. Yash Malhotra appointed as an Additional Non Executive Independent Director of the Company w.e.f. 2<sup>nd</sup> January, 2017.

#### **b) SHARE TRANSFER COMMITTEE:**

In compliance with provisions of 178(5) of the Companies Act, 2013, the purpose of the Committee is to review and approval of all requests pertaining to sub-division, consolidation, transfer, transmission of shares and issue of duplicate share certificates; Review and approval of all requests pertaining to dematerialization or rematerialization of shares; Review of statutory compliances pertaining to share / security capital, processes, shareholders, Registrar & Share Transfer Agent (RTA) and the depository(s) National Securities Depository Limited ("NSDL") and/ or Central Depository Services (India) Limited ("CDSL"). The composition of Share Transfer Committee of the Company is as follows:

<b>S. No.</b>	<b>Name of Member</b>	<b>Designation</b>	<b>Category</b>
1.	Mr. Rajendar Pal Garg*	Chairman	Non- Executive Director
2.	Ms. Jayanti Sharma	Member	Non- Executive Director

3.	Mr. Yash Malhotra**	Member	Additional Non-Executive Independent
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\*Mr. Rajendra Pal Garg has resigned from the post of Director of the Company w.e.f. 29<sup>th</sup> March, 2017.

\*\* Mr. Yash Malhotra appointed as an Additional Non Executive Independent Director of the Company w.e.f. 2<sup>nd</sup> January, 2017.

### **c) FINANCE AND INVESTMENT COMMITTEE:**

The Board of Directors has constituted Finance and Investment Committee to assist it in overseeing acquisitions and investments made by the Company and provide oversight on key investment policies of the Company. The composition of Finance and Investment Committee is as follows:

S.No.	Name of Member	Designation	Category
1.	Mr. RajendarPal Garg*	Chairman	Non- Executive Director
2.	Ms. Jayanti Sharma	Member	Non- Executive Director
3.	Mr. Yash Malhotra**	Member	Additional Non-Executive Independent Director

\*Mr. Rajendra Pal Garg has resigned from the post of Director of the Company w.e.f. 29<sup>th</sup> March, 2017

\*\*Mr. Yash Malhotra appointed as an Additional Non Executive Independent Director of the Company w.e.f. 2<sup>nd</sup> January, 2017.

### **17. DECLARATION BY INDEPENDENT DIRECTOR**

The Independent Directors have submitted their declarations of independence, as required pursuant to provisions of section 149(7) of the Act, stating that they meet the criteria of independence as provided in subsection (6) and Regulation 25 of Listing Regulations.

### **18. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTOR**

In terms of regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company familiarizes the Directors about their role and responsibility at the time of their appointment through a formal letter of appointment. All new Independent Directors inducted into the Board attend an orientation program. Presentations are regularly made at the meetings of the Board and its various Committees on the relevant subjects. The details of programs for familiarization of Independent Directors can be accessed on the Company's website.

### **19. DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

- 1.) in the preparation of annual accounts for the financial year ended 31<sup>st</sup> March, 2017, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- 2.) 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 Companies as at 31<sup>st</sup> March, 2017 and of the loss of the Company for the period ended on that date;
- 3.) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- 4.) the Directors have prepared the annual accounts on a going concern basis;
- 5.) the Directors have laid down proper internal financial controls to be followed by the Company and such internal financial control are adequate and operating effectively ; and

the Directors had devised proper system to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively .

## **20. CORPORATE GOVERNANCE**

Disclosures related to Corporate Governance during the financial year, under Regulation 17 to Regulation 27 & Regulation 46 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 is not applicable as the Company is not covered under the criteria as mentioned in the said Regulation.

## **21. BOARD EVALUATION**

SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 mandates that the Board shall monitor and review the Board evaluation framework. The framework includes the evaluation of Director on various parameters such as:

- Board dynamics and relationship
- Information flows
- Decision-making
- Relationship with stakeholders
- Company performance and strategy
- Tracking Board and committees effectiveness
- Peer evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committee, Nomination &

Remuneration Committee, Share Transfer Committee and Finance and Investment Committee.

In respect of the above mentioned Evaluation framework, a structured questionnaire was prepared after taking into consideration of the various aspects of the Board & its Committees, execution and performance of specific roles, duties, obligations and governance. The performance evaluation of Committees, Executive Directors, Non-Executive Directors and Independent Directors was completed. The Performance evaluation of the Chairman, Non-Executive Directors & Board as a whole was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process carried out their own performance evaluation too known as "Self Assessment"

## **22. SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s S Munjal & Associates (represented by Ms. Shikha Munjal), Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the Financial Year 2016-17. The Report of the Secretarial Auditor in Form MR-3 is annexed herewith as "**Annexure III**", which forms part of the Board Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark and is self-explanatory, need no further comments from the Board.

## **23. SECRETARIAL AUDITORS' REPORT**

The observation made by the Auditors are self-explanatory and do not require any further clarifications. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

## **24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013.**

Pursuant to Section 186(11) of the Companies Act, 2013, disclosure under Section 134(3)(g) of the Companies Act, 2013 is not applicable on the Company.

## **25. EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of Annual Return in Form MGT-9 as required under Section 134(3) of the Companies Act, 2013, is included in this report as **Annexure - IV** and forms integral part of this report.

## **26. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

In continuation to the SEBI Observation Letter, dated 2<sup>nd</sup> September, 2015, wherein SEBI had approved the Open Offer made for acquisition up to 694000 equity shares of Rs. 10/- (Rupees Ten only), subject to the approval of Reserve Bank of India (RBI), during the year, prior approval for change in management/ control of the Company was

granted by RBI vide Letter No. DNBS(ND)CMS-V/No. 1554/ 05.04.107/2016-17 dated 30<sup>th</sup> December, 2016 and the required shares were acquired pursuant to the said Offer.

Details of the same are mentioned in the 'Change in Management/Control' section of the Report.

## **27.MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

The Company has made a preferential issue with an issue size of 927500 (Nine Lakhs Twenty Seven Thousand and Five Hundred) equity shares of Rs. 10/- (Rupees Ten Only) each.

In respect of the same, approval of shareholders was obtained in an Extra-Ordinary General Meeting held on 31<sup>st</sup> May, 2017.

In terms of Regulation 28(1) of the SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015, an application seeking In- principle approval for issue and allotment of 927500 (Nine Lakhs Twenty Seven Thousand and Five Hundred) equity shares on preferential basis, was submitted with the Calcutta Stock Exchange Ltd. The said approval is awaited till date.

Except this, there have been no material changes and commitments affecting the financial position of the company, which have occurred between the end of the financial year of the Company to which the financial statements relate and till the date of this Report.

## **28.CHANGE IN THE NATURE OF BUSINESS**

There has been no change in nature of business during the financial year under review.

## **29.STATUTORY AUDITORS**

Pursuant to the provisions of Section 139 of the Act and the Companies (Audit and Auditors) Rules, 2014, M/s. Krishan Rakesh & Co., Chartered Accountants, (FRN: 009088N) are appointed as Statutory Auditors of your Company for a term of five years beginning April 1, 2016 and ending March 31, 2021.

In terms of the provisions of the Act, your ratification to their appointment as Statutory Auditors of your Company is being sought at the ensuing AGM and forms part of the Notice convening the said meeting. The Statutory Auditors have confirmed that they are not disqualified to act as Auditors and are eligible to hold office as Auditors of your Company.

## **30.STATUTORY AUDITORS' REPORT**

The observation made by the Auditors are self – explanatory and do not require any further comments under Section 134(3)(f). The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

### 31. PARTICULARS OF EMPLOYEES

The information as per Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as under:

The ratio of remuneration of each director to the median remuneration of the employees of the employees of the Company for the financial year 2016-17:

S.No.	Directors*	Ratio to median remuneration
1.	Mr. Krishan Kartik	NIL
2.	Mr. Rajendra Pal Garg	NIL
3.	Ms. Surpriya Sinha	NIL
4.	Mr. Krishan Kartik	NIL
5.	Ms. Jayanti Sharma	NIL
6.	Mr. Yash Malhotra	NIL
7.	Ms. Surbhi Sharda	NIL
8.	Ms. Poonam Ahuja	NIL
9.	Ms. Sonia Khenduja	NIL

\*Note:-

- Mr. Rajendra Pal Garg resigned from the post of Director of the Company w.e.f. 29<sup>th</sup> March, 2017;
- Ms. Supriya Sinha resigned from the post of an Independent Director of the Company w.e.f 9<sup>th</sup> October, 2016;
- Ms. Sonia Khenduja resigned from the post of Director of the Company w.e.f 6<sup>th</sup> April, 2017;
- Mr. Yash Malhotra appointed as an Additional Non Executive Independent Director of the Company w.e.f. 2<sup>nd</sup> January, 2017;
- Ms. Surbhi Sharda appointed as an Additional Non Executive Independent Director of the Company w.e.f. 22<sup>nd</sup> February, 2017;
- Ms. Poonam Ahuja and Ms. Sonia Khenduja appointed as an Additional Director of the Company w.e.f. 22<sup>nd</sup> March, 2017.

(i). As there is no remuneration being paid to the Directors of the Company in the financial year 2016-17, therefore there is no percentage increase in remuneration of any Directors.

(ii). There has been an increase of 26.82%, in the median remuneration of employees in the financial year 2016-17.



(iii).As of 31<sup>st</sup> March,2017, total no. of permanent employees on the roll of the Company: **3**

(iv).Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year cannot be compared with the percentile increase in the managerial remuneration as the managerial personnel were not paid any salary in the last financial year.

(v). The Company affirms that remuneration given is as per the remuneration policy of the Company.

However, as per the provisions of Section 136 of the Act, the Report and Accounts are being sent to all the members excluding the information on particulars of employees which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting.

### **32.DISCLOSURE UNDER RULE 5 (2) & (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION) RULES, 2014**

No Directors/employees of the Company were in receipt of amount exceeding a salary of Rs. 8,50,000/- per month or more when employed for a part of the financial year and Rs. 1,02,00,000/- per annum or more when employed for whole of the year ,under the provision of Rule 5 (2) & (3) of The Companies (Appointment And Remuneration) Rules, 2014, as amended from time to time.

The information as per Section 197 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as follows:

<b>Name</b>	<b>Date of Joining</b>	<b>Remuneration (Rs.)</b>	<b>Education Qualification &amp; Experience</b>	<b>Age (in years)</b>	<b>Last employment</b>	<b>Designation</b>
Mr. Praveen Prabhaker Tiwari	02/05/2016	3,80,885.00	Company Secretary	31	Not Available	Company Secretary & Compliance Officer
Mr. Yakub Kullu	01/06/2015	1,24,450.00	Graduate	42		Accountant
Mr. Vipul Jain	01/04/2016	36,717.00	Graduate	28		Executive (Loan Department)
Ms. Anuradha Sharma	04/05/2016	25,000.00	LLB	33		Legal Executive

Mr. Vipul Chaddha	23/03/2015	20,000.00	B.Com	27		Chief Financial Officer (CFO)
Ms. Priyanka Chamoli	10/09/2016	11,964.00	M.B.A	27		HR Executive
Mr. Ramesh Pal	05/05/2016	9,789.00	B.A.	30		Senior Executive (Finance)

**Notes:-**

- The nature of employment is contractual in all the above cases.
- None of the employee is relative of any Director or Manager of the Company.
- None of the employees holds 2% or more of the paid up equity share capital of the Company as per clause (iii) of sub- rule (2) of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### **33. HUMAN RESOURCES**

The Company recognizes people as its most valuable asset and it has built an open, transparent and meritocratic culture to nurture this asset. The Company has kept a sharp focus on Employee Engagement. The Company's Human Resources is commensurate with the size, nature and operation of the Company. It looks at the employees entire life cycle, to ensure timely interventions and help build a long-lasting and fruitful career.

### **34. CORPORATE POLICY**

We seek to promote and follow the highest level of ethical standards in our business transactions. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on the website of the Company.

The Policies are reviewed periodically by the Board and updated on the basis of need and new Compliance.

**The Key Policies are as follows:**

<b>Name of the Policy</b>	<b>Brief Description</b>
<b>Vigil Mechanism/Whistle Blower Policy</b>	This policy has been established with a view to provide a tool to Directors and Employees of the Company to report to Management, genuine concerns including unethical behavior, actual or suspected fraud or violation of the code or the policy. The Policy also provides for adequate safeguards against victimization of Director(s)/Employee(s) who avail of the mechanism and also provides for direct access to the chairman of the Audit Committee in exceptional cases.
<b>Risk Management Policy</b>	This Policy represents the basic standards of Risk Assessment to be followed by the Company. Changes in the Policy will become effective upon approval by the Board of Directors of the Company. All relevant employees must be thoroughly familiar or made familiar with it and make use of the material contained in this Policy.
<b>Remuneration Policy</b>	The Board, on the recommendation of Nomination and Remuneration Committee, has framed and adopted a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration.
<b>Policy for determining materiality of event or Information</b>	The Objective of this policy is to outline the guidelines to be followed by the Company for consistent, transparent and timely public disclosures of material information events/information and to ensure that such information is adequately disseminated to the stock Exchange(s) where the securities of the Company are listed in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.

<b>Policy of Preservation of Records</b>	This policy sets the Standards for classifying, managing and storing the records of the Company. The purpose of this policy is to establish framework for effective records Management and the process for Subsequent archival of such records.
<b>KYC and AML Policies</b>	This policy is made to prevent criminal elements from using Company for money laundering activities and to enable the Company to know/ understand its customers and their financial dealings better which, in turn, would help the Company to manage risks prudently.
<b>Sexual Harassment Policy</b>	As required under the Sexual Harassment of women at Workplace (Prohibition, Prevention and Redressal) Act, 2013, the Company has policy on prevention of Sexual harassment of women at workplace and matters connected therewith.

### **35.REPORT UNDER THE PREVENTION OF SEXUAL HARASSMENT ACT, 2013**

The Board confirms that no complaints/ cases has been filed / pending with the Company under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the financial year 2016-17.

### **36.DISCLOSURE ABOUT COST AUDIT**

As per the Cost Audit Orders, Cost Audit is not applicable to the Company's for the Financial Year 2016-17.

### **37.CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The disclosure as per Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable as Company is not covered under the criteria mentioned in Section 135(1) of the Companies Act, 2013.

### **38.EMPLOYEE STOCK OPTIONS DETAILS**

During the year under review, the Company has no Employee's Stock Options schemes.

### **39. MANAGEMENT DISCUSSIONS AND ANALYSIS**

The Management Discussion and Analysis forms part of this Annual Report for the year ended 31<sup>st</sup> March 2017 and is annexed as **Annexure- V** of this Annual Report for the reference of the stakeholders.

### **40. INTERNAL AUDIT & CONTROL**

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the adequacy and efficacy of the Company's internal controls, including its systems and processes and compliance with regulations and procedures.

Ms. Chanchal Rani, has been appointed as the Internal Auditor of the Company w.e.f. 1<sup>st</sup> July, 2017 and is entrusted with the responsibility of implementing the internal control system.

### **41. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

In view of the nature of the activities carried out by the Company, Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 relating to conservation of energy and technology absorption, are not applicable to the Company. During the year under review, the Company had no earnings and expenditure in foreign exchange.

### **42. ACKNOWLEDGEMENT AND APPRECIATION**

Yours Directors would like to express their grateful appreciation for assistance and cooperation received from the Banks, 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 the Executives, staff and workers of the Company at all levels.

**By the order of the Board  
For Durgesh Merchants Limited**

**Sd/-  
Kamal Ahuja  
(Additional Director)  
DIN: 00005195**

**Sd/-  
Poonam Ahuja  
(Additional Director)  
DIN: 05351468**

**Date: 23.08.2017  
Place: New Delhi**

**Annexure-I****AOC-1**

**(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)**

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

**Part: "A" Subsidiaries**

**(Amount in Rupees)**

<b>S. No</b>	<b>Particulars</b>	
1.	<b>Name of Subsidiary</b>	<b>Innowiz Traders Private Limited</b>
2.	Reporting period for the subsidiary concerned	2016-17
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.
4.	Share capital	1,00,000
5.	Reserves & surplus	8,535
6.	Total assets	1482962
7.	Total Liabilities	1374427
8.	Turnover	117,964
9.	Profit before taxation	2,877
10.	Provision for taxation	0
11.	Profit after taxation	1,987
12.	Proposed Dividend	0
13.	% of shareholding	100
14.	Names of subsidiaries which are yet to commence operations	NIL
15.	Names of subsidiaries which have been liquidated or sold during the year.	NIL

**Note:** Innowiz Traders Private Limited which is wholly owned subsidiary of your Company is held as Stock in trade, therefore no consolidation of financials of the same was provided in the financial statements.

**By the order of the Board  
For Durgesh Merchants Limited**

**Sd/-  
Kamal Ahuja  
(Additional Director)  
DIN: 00005195**

**Date: 23.08.2017  
Place: New Delhi**

**Sd/-  
Poonam Ahuja  
(Additional Director)  
DIN: 05351468**

**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm length transactions under third proviso thereto**

**1. Details of contracts or arrangements or transactions not at arm's length basis- N.A.**

- a) Name(s) of the related party and nature of relationship:
- b) Nature of contracts/arrangements/transactions:
- c) Duration of the contracts / arrangements/transactions:
- d) Salient terms of the contracts or arrangements or transactions including the value, if any
- e) Justification for entering into such contracts or arrangements or transactions:
- f) Date(s) of approval by the Board :
- g) Amount paid as advances, if any:
- h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

**2. Details of material contracts or arrangement or transactions at arm's length basis: N.A.**

- a) Name(s) of the related party and nature of relationship
- b) Nature of contracts/arrangements/transactions
- c) Duration of the contracts /arrangements/transaction
- d) Salient terms of the contracts or arrangements or transactions including the value, if any
- e) Date(s) of approval by the Board, if any
- f) Amount paid as advances, if any

**By the order of the Board  
For Durgesh Merchants Limited**

**Sd/-  
Kamal Ahuja  
(Additional Director)  
DIN: 00005195**

**Sd/-  
Poonam Ahuja  
(Additional Director)  
DIN: 05351468**

**Date: 23.08.2017  
Place: New Delh**

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**(As on financial year ended on 31.03.2017)**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the  
Company (Management & Administration) Rules, 2014**

**I. REGISTRATION & OTHER DETAILS**

i.	CIN	L51219DL1984PLC248322
ii.	Registration Date	29th December, 1984
iii.	Name of the Company	Durgesh Merchants Ltd.
iv.	Category/Sub-category of the Company	Company limited by Shares
v.	Address of the Registered office and Contact details	D-220, Basement, Defence Colony, New Delhi-110024
vi.	Whether listed Company	Yes
vii.	Name, Address & contact details of the Registrar & Transfer Agent, if any	Skyline financial Services Private Limited D-153 A, 1 <sup>st</sup> Floor, Okhla Industrial Area, Phase- I, New Delhi- 110020 11 -64732681/ 82/83

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

<b>Name &amp; Description of main products/services</b>	<b>NIC Code of the Product /service</b>	<b>% to total turnover of the Company</b>
Non-mortgage loan services for business purposes n.e.c.	99711359	99.57%



### III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
Innowiz Traders Private Limited	U52322DL2014PTC269106	Subsidiary	100	2(87)

### IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

#### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a)Individual/HUF	0	0	75600	2.83	568100	0	568100	21.28	18.44
b) Central Govt. or State Govt.	0	0	0	0	0	0	0	0	0.00
c) Bodies Corporate	0	0	0	0	0	0	0	0	0.00
d) Bank/FI	0	0	0	0	0	0	0		0
e) Any other	0	0	0	0	0	0	0	0	0.00
SUB TOTAL:(A) (1)	0	0	75600	2.83	568100	0	568100	21.28	18.44

<b>(2) Foreign</b>									
a)NRI-Individuals	0	0	0	0	0	0	0	0	0.00
b)Other Individuals	0	0	0	0	0	0	0	0	0.00
c)Bodies Corp.	0	0	0	0	0	0	0	0	0.00
d) Banks/FI	0	0	0	0	0	0	0	0	0.00
e)Any other	0	0	0	0	0	0	0	0	0.00
<b>SUB TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>0</b>	<b>0</b>	<b>75600</b>	<b>2.83</b>	<b>568100</b>	<b>0</b>	<b>568100</b>	<b>21.28</b>	<b>18.44</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0.00
b) Banks/FI	0	0	0	0	0	0	0	0	0.00
C) Central govt.	0	0	0	0	0	0	0	0	0.00
d)State Govt.	0	0	0	0	0	0	0	0	0.00
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0.00

f)Insurance Companies	0	0	0	0	0	0	0	0	0.00
g) FIIS	0	0	0	0	0	0	0	0	0.00
h)Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
i)Others (Individual)	0	0	0	0	0	0	0	0	0.00
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>(2) Non Institution</b>									
a) Bodies corporate									
i) Indian	0	4000	4000	0.15	0	369000	369000	13.083	13.67
ii) Overseas	0	0	0	0	0	0	0	0	
b) Individuals									
i)Individual shareholders holding nominal share capital upto Rs.2 lakhs	0	334671	334671	12.53	0	334671	334671	12.53	0.00
ii)Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	0	2016000	2016000	75.51	0	1058500	1058500	39.64	35.87
c) Others									
(HUF)	0	239729	239729	0.15	0	339729	339729	12.72	29.44

Body corporates	0	4000	4000	0.15	0	369000	369000	13.82	
<b>SUB TOTAL (B)(2):</b>	0	2594400	2594400	97.17	0	2101900	2101900	78.72	23.43
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	0	2594400	2594400	97.17	0	2101900	2101900	78.72	23.43
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0.00
<b>Grand Total (A+B+C)</b>	0	267000	267000	0	0	267000	267000	100	0.00

**(ii) Shareholding of promoters**

S. No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No of Shares	% of total Shares of the Company	% of shares Pledged encumbered	No of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	% change in share holding during the year
1	R.P. Garg	3000	1.12	0	0	0	0	(1.12)
2.	Kiran Garg	17600	0.66	0	0	0	0	(0.66)
3.	Heman Garg	26000	0.97	0	0	0	0	(0.97)
4.	Dushan Garg	2000	0.07	0	0	0	0	(0.07)
5.	Kamal Ahuja	180000*	6.74	0	568100	21.28	0	14.54

\*Held as a public individual before open offer, Mr. Kamal Ahuja being a proposed acquirer.

**(iii) Change in Promoters' Shareholding:**

Particulars	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	75600	2.83	-	-
Shares already held by the proposed Acquirer	-	-	180000	6.74
Shares acquired during the tendering period in Open Offer (i.e. 01.02.2017)	-	-	312500	11.70
At the end of the year	568100	21.28	568100	21.83

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1.	<b>KAMAL AHUJA</b>				
	<b>At the beginning of the year</b>	180000	6.74	-	-
i.	01.02.2017 (Shares purchased during open offer )	312500	11.70	492500	18.44
ii.	21.03.2017 (Shares transferred pursuant to Share Purchase Agreement dated 23.03.2015)	75600	2.83	568100	21.28
	At the End of the year	568100	21.28	568100	21.28
2.	<b>BAZEL INTERNATIONAL LIMITED</b>				
	<b>At the beginning of the year</b>	0	0	-	-
i.	08.08.2017 (acquisition of shares)	25000	0.009	25000	0.009
ii.	16.09.2016 (acquisition of shares)	80000	2.99	105000	3.93
iii.	20.10.2016 (acquisition of shares)	40000	0.01	145000	5.43
iv.	09.12.2016 (acquisition of shares)	40000	0.01	185000	6.93
v.	19.01.2017 (acquisition of shares)	40000	0.01	225000	8.43
vi.	08.08.2017 (acquisition of shares)				
vii.	31.01.2017 (acquisition of shares)	40000	0.01	265000	9.93
viii.	08.08.2017 (acquisition of shares)				

	At the End of the year	265000	9.93	265000	9.93
3.	<b>INNOWIZ TRADERS PRIVATE LIMITED</b>				
	<b>At the beginning of the year</b>	0	0	-	-
	21.02.2017(acquisition of shares)	100000	3.75	100000	3.75
	At the End of the year	100000	3.75	100000	3.75
4.	<b>ASHOK JAIN</b>				
	<b>At the beginning of the year</b>	100000	3.75	100000	3.75
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/sweat equity etc.)	0	0	0	0
	At the End of the year	100000	3.75	100000	3.75
5.	<b>RAVINDER KUMAR HUF</b>				
	<b>At the beginning of the year</b>	75000	2.81	75000	2.81
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/sweat equity etc.)				
	At the End of the year	75000	2.81	75000	2.81
6.	<b>HARINDER KALRA HUF</b>				
	<b>At the beginning of the year</b>	75000	2.81	75000	2.81
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/sweat equity etc.)	0	0	0	0
	At the End of the year	75,000	2.81	75,000	2.81

7.	<b>NILAM MILAN SHAH</b>				
	<b>At the beginning of the year</b>	54000	2.02	54000	2.02
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus /sweat equity etc.)	0	0	0	0
	At the End of the year	54,000	2.02	54,000	2.02
8.	<b>JAYSHREEBEN SHARADKUMAR SHAH</b>				
	<b>At the beginning of the year</b>	54000	2.02	54000	2.02
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus /sweat equity etc.)	0	0	0	0
	At the End of the year	54,000	2.02	54,000	2.02
9.	<b>MAMTABEN DIPESHKUMAR SHAH</b>				
	<b>At the beginning of the year</b>	54000	2.02	54000	2.02
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus /sweat equity etc.)	0	0	0	0
	At the End of the year	54,000	2.02	54,000	2.02
10.	<b>RAJESHKUMAR MOHANLAL SHAH</b>				
	<b>At the beginning of the year</b>	54000	2.02	54,000	2.02



	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/sweat equity etc.)	0	0	0	0
	At the End of the year	54,000	2.02	54,000	2.02

**(v) Shareholding of Director's & Key Managerial Personnel's:**

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No of shares	% of total shares of the Company
<b>1.</b>	<b>Rajendra Pal Garg*</b>				
	At the beginning of the year	<b>30,000</b>	<b>1.12</b>	<b>0</b>	<b>0</b>
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease(e.g.allotment/transfer/bonus/sweat equity etc.)	0	0	30000 (Sell on 21.03.2017)	0
	<b>At the end of the year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2.</b>	<b>Praveen Prabhaker Tiwari (Company Secretary and Compliance Officer)</b>				
	At the beginning of the year	1	0	1	0
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease(e.g.allotment/transfer/bonus/sweat equity etc.)	0	0	0	0
	<b>At the end of the year</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>

\*Mr. Rajendra Pal Garg has resigned from the post of Director of the Company w.e.f. 29<sup>th</sup> March, 2017.

**(V) INDEBTEDNESS**

<b>Indebtedness of the Company including interest outstanding/accrued but not due for payment</b>				
<b>Particulars</b>	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	17,50,000	0	17,50,000
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	17,50,000	0	17,50,000
<b>Change in Indebtedness during the financial</b>				
Additions	0		0	0
Reduction	0	15,04,198	0	15,04,198
<b>Net Change</b>	0	15,04,198	0	15,04,198
<b>Indebtedness at the end of the financial</b>				
i) Principal Amount	0	2,45,802	0	2,45,80200
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	2,45,802	0	2,45,802

## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole time Director and/or Manager:

Sl. No.	Name of the MD/WTD/Manage	N.A.	Total Amount
1	<b>Gross salary</b>		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax 1961	0	0
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0
2	Stock option		
3	Sweat Equity	0	0
4	Commission	0	0
	as % of profit	0	0
	others (specify)	0	0
5	Others, please specify	0	0
	<b>Total (A)</b>	0	0
	<b>Ceiling as per the Act</b>	5% of profit calculated as per Section 198 of Companies Act, 2013	5% of profit calculated as per Section 198 of Companies Act, 2013

### A. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration		Name of the Directors*			Total Amount
1	Independent Directors	Krishan Katik	Supriya Sinha	Yash Malhotra	Surbhi Sharda	0
	(a) Fee for attending Board committee meetings	0	0	0	0	0
	(b) Commission	0	0	0	0	0

	(c ) Others, please specify	0	0	0	0	0
	<b>Total (1)</b>	0	0	0	0	0
2	Other Non-Executive Directors	Jayanti Sharma	Rajendra Pal Garg	Poonam Ahuja	Sonia Khenduja	0
	(a) Fee for attending board committee meetings	0	0	0	0	0
	(b) Commission	0	0	0	0	0
	(c ) Others, please specify.	0	0	0	0	0
	<b>Total (2)</b>	0	0	0	0	0
	<b>Total (B)=(1+2)</b>	0	0	0	0	0
	<b>Total Managerial Remuneration</b>	0	0	0	0	0
	<b>Overall Ceiling as per the Act.</b>	3% of profit calculated as per Section 198				3% of profit calculated as per Section 198

**\*Note:-**

- Mr. Rajendra Pal Garg resigned from the post of Director of the Company w.e.f. 29<sup>th</sup> March, 2017;
- Ms. Suriya Sinha resigned from the post Independent Director of the Company w.e.f. 9<sup>th</sup> October, 2016;
- Mr. Yash Malhotra appointed as an Additional Non Executive Independent Director of the Company w.e.f. 2<sup>nd</sup> January, 2017;
- Ms. Surbhi Sharda appointed as an Additional Non Executive Independent Director of the Company w.e.f. 22<sup>nd</sup> February, 2017;
- Ms. Poonam Ahuja and Ms. Sonia Khenduja appointed as an Additional Director of the Company w.e.f. 22<sup>nd</sup> March, 2017;
- Ms. Sonia Khenduja resigned from the post of Director of the Company w.e.f. 6<sup>th</sup> April, 2017.

**B. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
1	Gross Salary	CEO	Company Secretary	CFO	Total
	(a) Salary as per provisions contained in section 17(1) of Income Tax		3,80,885/-	0	3,80,885/-
	(b) Value of perquisites u/s	0	0	0	0
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission -as % of profit -others, specify	0	0	0	0
5	Others, please specify	0	0	0	0
	<b>Total</b>		<b>3,80,885/-</b>	<b>0</b>	<b>3,80,885/-</b>

**VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding	Authority (RD/ NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	No Penalties, Punishments or Compounding of Offences				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	No Penalties, Punishments or Compounding of Offences				

Punishment	
Compounding	
C. OTHER OFFICERS IN DEFAULT	
Penalty	No Penalties, Punishments or Compounding of Offences
Punishment	
Compounding	

**By the order of the Board  
For Durgesh Merchants Limited**

**Sd/-  
Kamal Ahuja  
(Additional Director)  
DIN: 00005195**

**Date: 23.08.2017  
Place: New Delhi**

**Sd/-  
Poonam Ahuja  
(Additional Director)  
DIN:05351468**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

*FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017*

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

**To,  
The Members,  
Durgesh Merchants Limited  
D-220, Basement, Defence Colony,  
New Delhi- 110024**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Durgesh Merchants Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Durgesh Merchants Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Durgesh Merchants Limited for the financial year ended on 31<sup>st</sup> March, 2017, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;- Not Applicable
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and- Not Applicable
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not Applicable
- (vi) The RBI Act, 1934;
- (vii) Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 updated as on date.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the Calcutta Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

This report is to be read with the my letter which is annexed as Annexure 1 and forms an integral part of this report.



## **Annexure 1**

**To,  
The Members,  
Durgesh Merchants Limited**

My Secretarial Audit Report is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For S Munjal & Associates  
Company Secretaries**

**Sd/-  
Shikha Munjal  
Membership No.: A46656  
COP No.: 17043**

**Date: 23.08.2017  
Place: Delhi**

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **OVERVIEW**

The Management Discussion and Analysis Report (MDA) is an integrated part of Company's Board Report. The report is an important vehicle for communicating managers' insights about the Company and provide the understandable and accessible information of the Company its operations, service levels, successes and challenges. The report allows the investor-analyst to understand how the leaders of the business believe the company has performed over the last year and what the future may bring. There are forward looking statements mentioned in this report which may involve risks and uncertainties, including but not limited to the risk inherent to the Company's growth strategy, change in regulatory norms, economic conditions and other incidental factors. Actual results could differ materially from those expressed or implied.

### **INDUSTRY STRUCTURE & DEVELOPMENT**

The Indian economy was forecasted to grow by 7.1 per cent in FY 2016-17. As per the Economic Survey 2016-17, the Indian economy should grow between 6.75 and 7.5 per cent in FY 2017-18. The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, Reserve Bank of India's (RBI) inflation focus supported by beginning of global commodity prices.

Non-banking Finance Companies (NBFCs) form an integral part of the Indian Financial system. They play an important role in nation building and financial inclusion by complementing the banking sector in reaching out credit to the unbanked segments of society and ground-level understanding of their customers' profile and their credit needs gives them an edge, as does their ability to innovate and customise products as per their clients' needs. However, NBFCs operate under certain regulatory constraints, which put them at a disadvantage vis-à-vis banks.

As of March 2016, there were 11,682 NBFCs registered with the RBI, of which 202 were deposit-accepting and 11,480 were non-deposit accepting NBFCs, of which 220 were declared as systemically important (i.e., those with an asset size of Rupees one billion or more). In the popular discourse the role of NBFCs are seen from two distinct angles: (a) they have been very useful for sectors / activities that are generally excluded from formal banking activities; and (b) at some regularity some of the deposit raking NBFCs have been source of financial irregularity in some localized pockets and raised the issue of consumer protection. So far, NBFCs have scripted a great success story. Their contribution to the economy has grown in leaps and bounds from 8.4% in 2006 to above 15% in March 2016. In terms of financial assets, NBFCs have recorded a health growth— a compound annual growth rate (CAGR) of 19% over the past few years— comprising 15% of the total credit and expected to reach nearly 18% by 2018-19.

NBFC are gaining momentum and have come a long way over the decades. The banking sector is financing only 40% of the trading sector the rest is by the NBFCs. They play a major role in economic development of a nation and have become prominent in a wide.

### **OPPORTUNITIES & THREATS:**

Structure changes in financial services sector have created new opportunities for NBFCs. Over the years, your Company performance is achieved by augmentation of capital and leveraging for growth and by increased competition from local and global players operating in India, regulatory changes and attrition of employees. With growing presence of players offering advisory service coupled with provision of funds for the clients' needs, we would face competition of unequal proportion. We continuously tackle this situation by providing increasingly superior customized services.

In financial services business, effective risk management has become very crucial and your Company is exposed to specific risks that are particular to its business and the environment within which it operates, including interest rate volatility, economic cycle, credit risk and market risk. The measurement, monitoring and management of risk remain key focus areas for the company. All these risks are continuously analysed and reviewed at various levels of management through an effective information system and your Company has achieved an appropriate balance between risk and returns by setting up an efficient risk mitigation system to meet various forms of financial and other risks.

### **SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE**

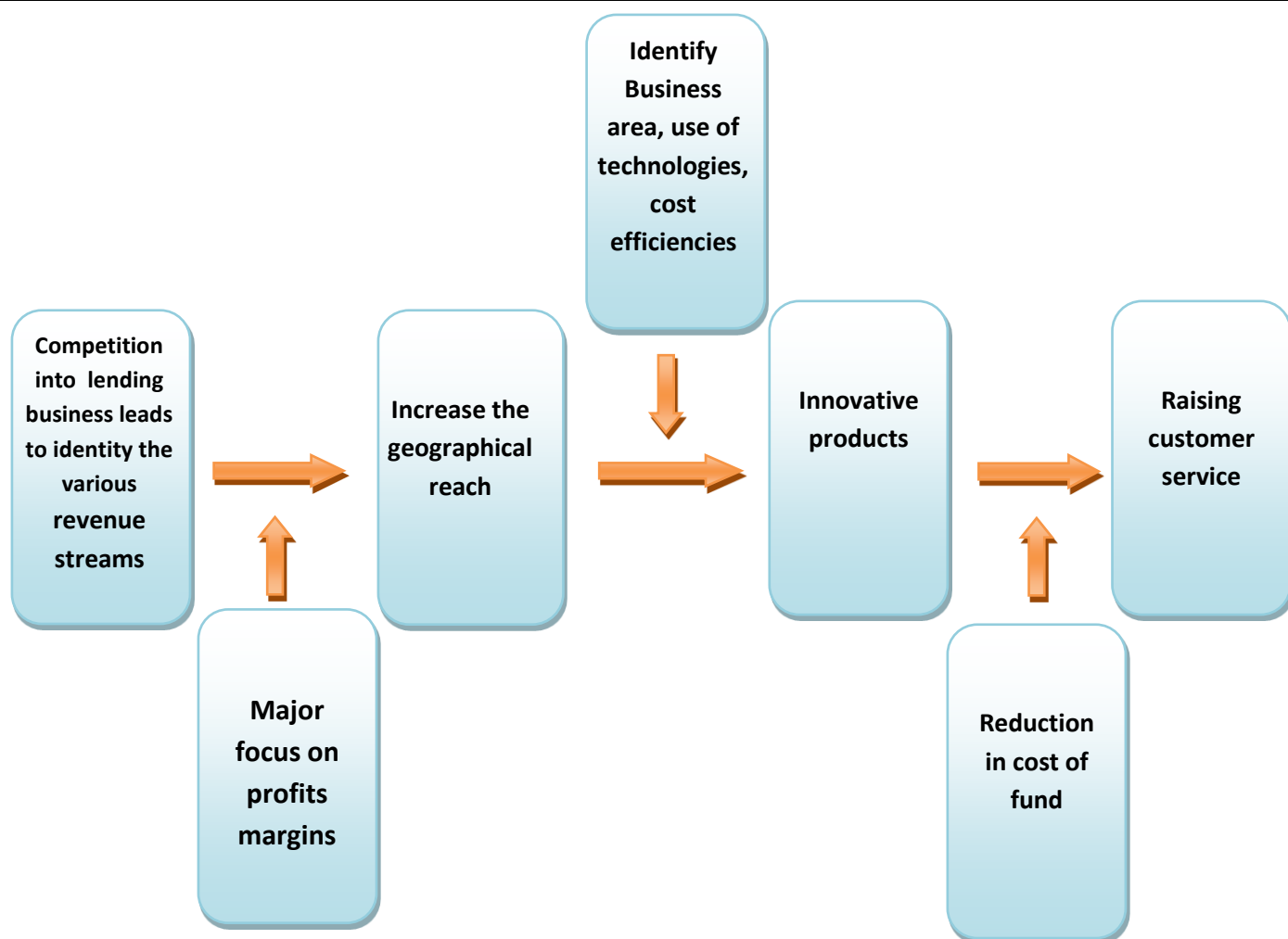
The Company offers financial services to commercial, industrial and financial clients with a one stop financial solution:-

- ✓ Advancing loans against listed Shares, Securities, Properties, Mortgage Loans,
- ✓ Lend and advance money with or without security,
- ✓ Corporate loans,
- ✓ Guarantee against the payment of money secured or unsecured etc.

Since, your Company operates in only single segment. Hence segment wise performance is not applicable.

### **OUTLOOK AND FUTURE PROSPECTS**

Competition continues to be intense, as the Indian and Foreign banks have entered the lending business in a big way, thereby exerting pressure on profit margins which leads to identify the various revenue streams. In order to sustain in competitive environment, there is need to widen up our geographical reach of service, identification of potential business area, along with use of technologies and cost efficiencies to get innovative product through reduction in cost of funds. Thereby raising the level of customer service.



### **RISKS AND CONCERNS:**

In today's complex business environment, almost every business decision requires executives and managers to balance risk and reward. Effective risk management is therefore critical to an organization's success. Globalization, with increasing integration of markets, newer and more complex products & transactions and an increasingly stringent regulatory framework has exposed organisations to newer risks. As a result, today's operating environment demands a rigorous and integrated approach towards risk management. An effective risk management is of prime importance for our continued success. Increased competition and market volatility has enhanced the importance of risk management. The sustainability of the business is derived from the following:

- ✓ Identification of the diverse risks faced by the Company.
- ✓ Evolution of appropriate systems and processes to measure and monitor them.
- ✓ Management through appropriate mitigation strategies within the policy framework.
- ✓ Monitoring the progress of the implementation of such strategies and subjecting them to periodical audit and review.
- ✓ Reporting these risk mitigation results to the appropriate managerial levels.
- ✓ Transforming into one-stop financial survival growth and development service shops with umbrella products instead of vanilla products.

### **FINANCIAL PERFORMANCE:**

Financial Performance of the Company for the year under review is discussed in detail in the Director's report.

## **HUMAN RESOURCES**

The Company recognizes the importance of Human Resource and the continuous need for development of the same. The Company stresses on the need to continuously upgrade the competencies of its employees and equip them with the latest developments. The Company's relations with the employees continued to be cordial.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUENCY**

Your Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations.

As part of the effort to evaluate the effectiveness of the internal control systems, your Company's internal audit department reviews all the control measures on a periodic basis and recommends improvements, wherever required. The internal audit department is manned by highly qualified and experienced personnel and reports directly to the Audit Committee of the Board. The Audit Committee regularly reviews the audit findings as well as the, an Information Security Assurance Service is also provided by independent external professionals. Based on their recommendations, the Company has implemented a number of control measures both in operational and accounting related areas, apart from security related measures.

The Directors Responsibility Statement (DRC) also emphasis that Company's internal control system are adequate and operating effectively with respects to financial statements.

## **RESPONSIBILITY FOR THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Board of Directors have reviewed the Management Discussion and Analysis Report. Statements in this report pertaining to the Company's objectives, projections, estimates, exceptions and predictions are forward-looking statements subject to the applicable laws and regulations. These statements may be subject to certain risks and uncertainties. The Company's operations are affected by various external and internal factors which are beyond the control of the management. Therefore, the actual position may differ from those expressed or implied. Important factors that could influence the Company's operations include global and domestic financial conditions, changes in government regulations, tax laws, RBI regulations, exchange rate fluctuation, economic developments within the country and other factors such as litigation and industrial relations.

**For Durgesh Merchants Limited**

**Sd/-**  
**Kamal Ahuja**  
**(Additional Director)**  
**DIN: 00005195**

**Sd/-**  
**Poonam Ahuja**  
**(Additional Director)**  
**DIN: 05351468**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF DURGESH MERCHANTS LIMITED**

#### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **DURGESH MERCHANTS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the

Over Financial Reporting “ issued by The institute of Chartered accountants of India.

- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations on its financial position in its financial statements.
  - ii. According to the information and explanations provided to us, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. The company had provided requisite disclosures in its Note No. 29 to the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November,2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of account and records by the Company and as produced by the Management.

**For KRISHAN RAKESH & CO.  
CHARTERED ACCOUNTANTS  
Firm Regn No. 009088N**

**PLACE : DELHI  
DATED: 30.05.2017**

**Sd/-  
(K.K.GUPTA)  
PARTNER  
M No. 087891**

**ANNEXURE - I REFERRED TO IN PARAGRAPH 1 OF THE AUDITORS' REPORT ON  
ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2017**

1. a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.  
  
c) According to information & explanation given to us, company does not have any immovable property.
2. As explained to us physical verification has been conducted by the management at reasonable intervals in respect of its inventories. The discrepancies noticed on such verification between the physical stocks and book records were not significant and the same have been properly dealt with in the books of account.
3. As informed to us the company has not granted loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.
4. According to the information and explanations given to us, the company has complies with section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security provided.
5. According to the information and explanations given to us the company has not accepted any deposits, in terms of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
6. In respect of business activities of the company, maintenance of cost records has not been specified by the Central Government under sub-section (I) of section 148 of the Companies Act 2013.
7. a) As per information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees 'state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There are no outstanding statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable.  
  
b) We According to information and explanations given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess, Octroi, entry tax and other statutory dues which have not been deposited on account of any dispute.



8. The company has not obtained any loan from Financial Institution, Banks, and Government during the period under Audit. The Company has not issued any debentures.
9. The company has not obtained any Term Loans during the year under audit .The company has not raised any money during the year by way initial or further public offer.
10. Based upon the audit procedures performed and information and explanations given by the management, we report that, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of our audit for the year ended 31.03.2017.
11. According to the information and explanations given to us, the company has not provided any managerial remuneration for the period under audit.
12. The provisions of clause (xii) of the order are not applicable as the company is not a Nidhi Company as specified in the clause.
13. According to information and explanations given to us we are of the opinion that Company has not entered into any related party transaction for the period under audit.
14. According to information and explanations given to us the company has not made any preferential allotment or private placement of shares or debentures during the year.
15. According to information and explanation given to us the company has not entered into any non-cash transaction with the director or any person connected with him during the year.
16. According to the information and explanations given to us, In view of its business activities, the company has obtained registration under section 45IA of Reserve Bank of India Act, 1934.

**FOR KRISHAN RAKESH & CO.**  
**CHARTERED ACCOUNTANTS**  
**Firm Regn No. 009088N**

**PLACE : DELHI**  
**DATED: 30.05.2017**

**Sd/-**  
**(K.K. GUPTA)**  
**PARTNER**  
**M.No. 087891**

### Balance Sheet as at 31<sup>st</sup> March, 2017

PARTICULARS	Notes	Amount (Rs.) as at 31.03.2017	Amount (Rs.) as at 31.03.2016
<b><u>EQUITY &amp; LIABILITIES</u></b>			
<b><u>SHAREHOLDERS' FUNDS</u></b>			
SHARE CAPITAL	2	267,00,000.00	267,00,000.00
RESERVES & SURPLUS	3	4,94,576.46	2,22,688.19
<b><u>NON CURRENT LIABILITIES</u></b>			
Deferred Tax Liability	4	0.00	1,233.00
Long Term Provision	5	51,100.00	1,32,462.00
<b><u>CURRENT LIABILITIES</u></b>			
SHORT TERM BORROWINGS	6	2,45,802.00	17,50,000.00
OTHER CURRENT LIABILITIES	7	3,38,619.36	2,96,413.26
SHORT TERM PROVISION	8	0.00	58,700.00
<b>TOTAL</b>		278,30,097.82	291,61,496.45
<b><u>ASSET</u></b>			
<b><u>NON CURRENT ASSETS</u></b>			
FIXED ASSETS			
TANGIBLE ASSETS	9	28,583.00	55,436.00
INVESTMENTS	10	66,59,925.00	3,09,925.00
<b><u>CURRENT ASSETS</u></b>			
INVENTORY	11	100,000.00	0.00
CASH & CASH EQUIVALENTS	12	553,763.82	625,534.45
SHORT TERM LOANS & ADVANCES	13	20,487,826.00	28,170,601.00
<b>TOTAL</b>		<b>27,830,097.82</b>	<b>29,161,496.45</b>

#### Significant Accounting Policies

The notes referred to above are an internal part of these Financial Statements

In terms of our report of even date annexed

**For KRISHAN RAKESH & CO.**  
**CHARTERED ACCOUNTANTS**  
Firm Reg. No. 009088N

**For DURGESH MERCHANTS LIMITED**

Sd/-  
**K.K. GUPTA**  
**PARTNER**  
**PLACE : DELHI**  
**DATED :30.05.2017**

Sd/-  
**Kamal Ahuja**  
**Director**  
**DIN-00005195**

Sd/-  
**Jayanti Sharma**  
**Director**  
**DIN-05285845**

Sd/-  
**Praveen Prabhaker Tiwari**  
**Company Secretary**  
**Membership No.: A 45041**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2017**

<b>PARTICULARS</b>	<b>Notes</b>	<b>Amount (Rs.) as at 31.03.2017</b>	<b>Amount(Rs.) as at 31.03.2016</b>
<b><u>REVENUE</u></b>			
REVENUE FROM OPERATIONS	<b>14</b>	16,84,343.00	22,04,294.00
OTHER INCOME	<b>15</b>	7,333.00	2,300.00
<b>TOTAL REVENUE</b>		<b>16,91,676.00</b>	<b>22,06,594.00</b>
<b><u>EXPENDITURE</u></b>			
PURCHASE OF SHARES		1,00,000.00	0.00
CHANGE IN INVENTORY	<b>16</b>	(1,00,000.00)	0.00
EMPLOYEE BENEFITS EXPENSES	<b>17</b>	6,28,268.00	11,88,438.88
FINANCE COSTS	<b>18</b>	1,19,425.00	1,57,500.00
DEPRECIATION & AMORTIZATION EXPENSE	<b>9</b>	26,853.00	38,364.00
OTHER EXPENSES	<b>19</b>	6,33,369.03	5,68,977.81
<b>TOTAL EXPENSES</b>		<b>14,07,915.03</b>	<b>19,53,280.69</b>
<b>PROFIT / ( LOSS ) BEFORE EXCEPTIONAL &amp; EXTRAORDINARY ITEMS &amp; TAX</b>		<b>2,83,760.97</b>	<b>2,53,313.31</b>
<b>TAX EXPENSES:</b>			
<b><u>CURRENT TAX</u></b>			
CURRENT YEAR		95,700.00	58,700.00
INCOME TAX ADJ EARLIER YEAR		1,232.00	11,420.00
<b><u>DEFERRED TAX</u></b>			
CURRENT YEAR		1,233.00	(1,233.00)
<b>PROFIT FOR THE YEAR</b>		<b>1,90,525.97</b>	<b>1,81,960.31</b>
Add: Contingent Provisions against Standard Assets		1,32,462.00	
Less: Contingent Provisions against Standard Assets		51,100.00	63,344.12
Profit T/F to Balance Sheet		2,71,887.97	1,18,616.19
<b>EARNING PER SHARE (BASIC/DILUTED(Rs.))</b>		<b>0.10</b>	<b>0.04</b>

**(After Contingent Provisions)**

**Significant Accounting Policies**

The notes referred to above are an internal part of these Financial Statements

**For KRISHAN RAKESH & CO.**  
**CHARTERED ACCOUNTANTS**  
 Firm Reg. No. 009088N

Sd/-  
**K.K. GUPTA**  
**PARTNER**  
**PLACE : DELHI**  
**DATED :30.05.2017**

**For DURGESH MERCHANTS LIMITED**

Sd/-	Sd/-
<b>Kamal Ahuja</b>	<b>Jayanti Sharma</b>
<b>Director</b>	<b>Director</b>
<b>DIN-00005195</b>	<b>DIN-05285845</b>

Sd/-  
**Praveen Prabhaker Tiwari**  
**Company Secretary**  
**Membership No.: A 45041**

## **NOTE – 1: SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**

### **I. Company Overview:**

Durgesh Merchants Limited is a Company incorporated under the provision of Companies Act, 1956 on 31st December, 1984 to carry on the financing and investment activities apart from these activities the company is also authorized by its Memorandum of Association to deal in the business of all types of commodities, merchandise, goods, real estate and carry on the business of financiers etc.

The company is a registered Non-Banking Financial Company (Non Deposit Accepting), bearing Registration No. B.06.00133 dated 14th May 2002 U/s 45-IA issued by the Reserve Bank of India in terms of applicable provisions of the Act.

### **II. Basis of preparation of financial statements:**

These financial statements have been prepared to comply with Accounting Principles Generally accepted in India (Indian GAAP), the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees.

### **Use of estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods. The management believes that the estimates made in the preparation of the financial statements are prudent and reasonable.

### **III. Income and Expenditure**

Income and Expenditure are accounted for on accrual basis except finance charges and interest on bad & doubtful debts which is recognized as per IRAC norms of RBI guidelines.

### **IV. Tangible Fixed Assets & Depreciation**

- a) Fixed Assets are stated at their original cost of acquisition inclusive of inward freight, duties and expenditure incurred in their acquisition, construction / installation.
- b) Depreciation is calculated on pro-rata basis from the date of additions, except in case of assets costing Rs. 5,000 or less, where each such asset is fully depreciated in the year of purchase. Depreciation on assets sold / discarded during the year is provided till the date

of such sale / disposal. Depreciation is charged under the Straight Line Method in accordance with the rates and manner specified in Schedule II to the Companies Act, 2013.

### **c) 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.

### **V. Investments**

Investment has been bifurcated into 'long term' and 'current' categories as per RBI Norms. Long term investment is valued at cost and current investment at cost or market value whichever is less. However, provision is being made where diminution in the value of long term investment other than temporary.

### **VI. Inventories**

Inventories of shares have been valued at cost.

### **VII. Loans & advances**

Loans and Advances are classified in accordance with IRAC norms issued by RBI.

### **VIII. Employee benefits**

The Provident fund and ESIC are not applicable to the Company.  
The company has not made the provision of gratuity on the basis of actuarial valuation as on 31.03.2017.

### **IX. Dividend**

Dividend is accounted for as and when it is declared.

### **X. Cash and cash equivalent**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less

### **XI. Provision, Contingent Liabilities and Contingent Assets:**

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

#### **a. Provision for Non-Performing Assets**

Provision for standard and non-performing assets

- In accordance with Prudential Norms, contingent provision at 0.25% has been created on outstanding standard assets.
- In accordance with Para 10 of Prudential Norms, the Company has shown provision for loans under 'Provisions' forming part of 'Current liabilities and provisions'

Provision for non-performing assets is recorded at rates which are equal to or higher than the rates specified by Reserve Bank of India in their guidelines on prudential norms. The rates used by the Company are as follows:

Asset Classification	Period of Arrears(in Months)	Rates as per Company percentage of Portfolio
Standard	0 – 1	0.25
Substandard	1 – 2	10
Substandard	2 – 3	25
Doubtful	3 – 4	50
Loss	Above 4	100

**XII.** Unless specifically stated to be otherwise, these policies are consistently followed.

<b>PARTICULARS</b>	<b>Amount (Rs.) as at 31.03.2017</b>	<b>Amount (Rs.) as at 31.03.2016</b>
<b><u>NOTE - 2 : SHARE CAPITAL</u></b>		
<b><u>Authorised</u></b> 40,00,000 Equity Shares of Par Value of Rs. 10/- each (Previous Year 40,00,000 Shares of Par Value of Rs.10/- each)	400,00,000.00	400,00,000.00
	400,00,000.00	400,00,000.00
<b><u>Issued, Subscribed &amp; paid up</u></b>		
26,70,000 Equity Shares of Par Value of Rs 10/- each (Previous Year 26,70,000 Shares of Par Value of Rs.10/- each)	267,00,000.00	267,00,000.00
<b>Total</b>	<b>267,00,000.00</b>	<b>267,00,000.00</b>

a) The reconciliation of number of shares outstanding and the amount of Share Capital as at the opening and closing dates is set out below:

<b>PARTICULARS</b>	<b>As at 31.03.2017 (No. of Shares)</b>	<b>As at 31.03.2016 (No. of Shares)</b>
<b>No. of Shares outstanding at the beginning of the Year</b>	26,70,000.00	26,70,000.00
Addition during the year	0.00	0.00
<b>No. of Shares outstanding at the end of the period</b>	<b>26,70,000.00</b>	26,70,000.00

b) The Company has one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Company. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the Company (after distribution of all preferential amounts) in the proportion of equity shares held by the shareholders.

c) Following Shareholders hold equity shares more than 5% of the total equity shares of the company at the end of the period :

<b>Person</b>	<b>% age No. of shares (2016-17)</b>	<b>% age No. of shares (2015-16)</b>
Kamal Ahuja	568100 (21.28%)	180000 (6.74%)
Bazel International Limited	265000 (9.93%)	0.00
Neeraj Jain	0.00	200000 (7.49%)
<b>Total</b>	<b>833100 (31.20%)</b>	<b>380000(14.23%)</b>

d) Bonus Shares issued during the last 5 Years:- The company has not issued any bonus shares during the period of last 5 years

PARTICULARS	Amount (Rs.) as at 31.03.2017	Amount (Rs.) as at 31.03.2016
<b><u>NOTE - 3 : RESERVES &amp; SURPLUS</u></b>		
<b><u>Statutory Reserve</u></b>		
As per Last balance Sheet	2,66,093.30	2,40,086.00
Transferred During The Year	55,000.00	26,007.30
	3,21,093.30	2,66,093.30
<b><u>Surplus</u></b>		
As per Last balance Sheet	(43,404.81)	(1,36,014.00)
Add: Net Profit after Tax transferred from Statement of Profit & Loss	2,71,887.97	1,18,616.19
	2,28,483.16	(17,397.81)
Less: Transferred to Statutory Reserve	55,000.00	26,007.30
Balance c/f	1,73,483.16	(43,405.11)
	<b>4,94,576.46</b>	<b>2,22,688.19</b>

PARTICULARS	Amount (Rs.) as at 31.03.2017	Amount (Rs.) as at 31.03.2016
<b><u>NOTE - 4 : DEFERRED TAX LIABILITIES (NET)</u></b>		
<b>Deferred Tax Liabilities</b>		
<b>Difference of book depreciation and tax depreciation</b>		
As at beginning of the year	1,233.00	0.00
Adjustment during the year	(1,233.00)	1,233.00
	0.00	1,233.00
<b>Less: Deferred tax assets</b>		
<b>Disallowane of Exp as per I. Tax</b>		
As at beginning of the year	0.00	0.00
Adjustment during the year	0.00	0.00
	0.00	0.00
<b>Deferred tax liability (net) as at closing of the year</b>	<b>0.00</b>	<b>1,233.00</b>

PARTICULARS	Amount (Rs.) as at 31.03.2017	Amount (Rs.) as at 31.03.2016
<b><u>NOTE -5 LONG TERM PROVISION</u></b>		
<b>Contingent Provision Against Standard Assets</b>		
At the beginning of the year	1,32,462.00	63,062.00
Add: during the year	51,100.00	69,400.00
Less Earlier year Transfer (opening)	1,32,462.00	0.00
	<b>51,100.00</b>	<b>1,32,462.00</b>



<b>PARTICULARS</b>	<b>Amount (Rs.) as at 31.03.2017</b>	<b>Amount (Rs.) as at 31.03.2016</b>
<b><u>NOTE- 6 : SHORT TERM BORROWINGS</u></b>		
<b>Unsecured Loans</b> From a Limited Company	2,45,802.00	17,50,000.00
	<b>2,45,802.00</b>	<b>17,50,000.00</b>

<b>PARTICULARS</b>	<b>Amount (Rs.) as at 31.03.2017</b>	<b>Amount (Rs.) as at 31.03.2016</b>
<b><u>NOTE - 7 : OTHER CURRENT LIABILITIES</u></b>		
Expenses Payable	3,38,619.36	2,96,413.26
	<b>3,38,619.36</b>	<b>2,96,413.26</b>

<b>PARTICULARS</b>	<b>Amount (Rs.) as at 31.03.2017</b>	<b>Amount (Rs.) as at 31.03.2016</b>
<b><u>NOTE - 08: SHORT TERM PROVISION</u></b>		
<b>For Income tax</b>		
As per last balance sheet	58,700.00	0.00
Additions during the year	95,700.00	58,700.00
Adjustment during the year	(58,700.00)	0.00
Paid during the year	(95,700.00)	0.00
	<b>0.00</b>	<b>58,700.00</b>

**NOTES - 9 Tangible Asset**

DESCRIPTI ON	C O S T				D E P R E C I A T I O N				W. D.V.	
	AS ON 1/04/2016	ADDITIONS DURING THE YEAR	SALES/ ADJUSTMENTS	TOTAL AS ON 31/03/2017	UPTO 31/03/2016	FOR THE YEAR	ADJUSTMENT S	TOTAL AS ON 31/03/2017	AS ON 31/03/2017	AS ON 31/03/2016
Furniture & Fixture	27,850.00	0.00	0.00	27,850.00	5,952.00	5,670.00	0.00	11,622.00	16,228.00	21,898.00
Computer & Printer	65,950.00	0.00	0.00	65,950.00	32,412.00	21,183.00	0.00	53,595.00	12,355.00	33,538.00
<b>CURRENT YEAR</b>	<b>93,800.00</b>	<b>0.00</b>	<b>0.00</b>	<b>93,800.00</b>	<b>38,364.00</b>	<b>26,853.00</b>	<b>0.00</b>	<b>65,217.00</b>	<b>28,583.00</b>	<b>55,436.00</b>
PREVIOUS YEAR		93,800.00	0.00	93,800.00	0.00	38,364.00	0.00	38,364.00	55,436.00	0.00

PARTICULARS	Amount (Rs.) as at 31.03.2017	Amount (Rs.) as at 31.03.2016
<b><u>NOTE - 10 : NON CURRENT INVESTMENTS</u></b>		
<b><u>QUOTED</u></b>		
<b>Long Term Investments</b>		
<b>Other Than Trade Investments</b>		
2,65,000 ( 0 ) Equity Shares of Bazel International Limited of Rs. 10/- each fully paid -up	63,50,000.00	0.00
<b><u>UNQUOTED</u></b>		
26,950 ( 26,950 ) Equity Shares of Jainsons Rugs International Private Limited of Rs. 10/- each fully Paid up.	3,09,925.00	3,09,925.00
	66,59,925.00	3,09,925.00
<b>Unquoted Investments</b>		
Book Value	<b>66,59,925.00</b>	<b>3,09,925.00</b>

- a) Non-Current investments have been valued considering the significant accounting policy  
no.1 (v) disclosed in Note no. 1 to these financial statement.
- b) Figures in bracket represent previous year figures.

PARTICULARS	Amount (Rs.) as at 31.03.2017	Amount (Rs.) as at 31.03.2016
<b><u>NOTE - 11 : INVENTORY</u></b>		
Shares Stock	1,00,000.00	0.00
	1,00,000.00	0.00
Balances With Banks		
- in current accounts	62,364.34	25,587.97
Cash on hand	4,91,399.48	5,99,946.48
	<b>5,53,763.82</b>	<b>6,25,534.45</b>

PARTICULARS	Amount (Rs.) as at 31.03.2017	Amount (Rs.) as at 31.03.2016
<b><u>NOTE - 12 : CASH &amp; BANK BALANCES</u></b>		
<b>Cash&amp; Cash Equivalents</b>		
Balances With Banks		
- in current accounts	62,364.34	25,587.97
Cash on hand	4,91,399.48	5,99,946.48
	<b>5,53,763.82</b>	<b>6,25,534.45</b>

<b>PARTICULARS</b>	<b>Amount (Rs.) as at 31.03.2017</b>	<b>Amount (Rs.) as at 31.03.2016</b>
<b><u>NOTE - 13 : SHORT TERM LOANS AND ADVANCES</u></b> (Unsecured Considered good unless otherwise stated)		
Advances	204,15,310.00	277,50,035.00
I.Tax Advances	72,516.00	2,20,566.00
Amount Receivable in cash or kind	0.00	2,00,000.00
	<b>204,87,826.00</b>	<b>281,70,601.00</b>

<b>PARTICULARS</b>	<b>Amount (Rs.) as at 31.03.2017</b>	<b>Amount (Rs.) as at 31.03.2016</b>
<b><u>NOTE - 14 : REVENUE FROM OPERATIONS</u></b>		
Interest Income	16,84,343.00	22,04,294.00
	<b>16,84,343.00</b>	<b>22,04,294.00</b>

<b>PARTICULARS</b>	<b>Amount (Rs.) as at 31.03.2017</b>	<b>Amount (Rs.) as at 31.03.2016</b>
<b><u>NOTE - 15 : OTHER INCOME</u></b>		
Interest on Income Tax Refund	7,333.00	2,300.00
	<b>7,333.00</b>	<b>2,300.00</b>

<b>PARTICULARS</b>	<b>Amount (Rs.) as at 31.03.2017</b>	<b>Amount (Rs.) as at 31.03.2016</b>
<b><u>NOTE - 16 : CHANGE IN INVENTORIES</u></b>		
<b><u>Opening Stock</u></b>		
Shares	0.00	0.00
<b>TOTAL 'A'</b>	0.00	0.00
<b><u>Closing Stock</u></b>		
Shares	1,00,000.00	0.00
<b>TOTAL 'B'</b>	1,00,000.00	0.00
	<b>(1,00,000.00)</b>	<b>0.00</b>

<b>PARTICULARS</b>	<b>Amount (Rs.) as at 31.03.2017</b>	<b>Amount (Rs.) as at 31.03.2016</b>
<b><u>NOTE - 17 : EMPLOYEE BENEFITS EXPENSE</u></b>		
Salaries, Wages & Allowances	6,28,268.00	11,26,993.88
Staff Welfare & Amenities	0.00	61,445.00
	<b>6,28,268.00</b>	<b>11,88,438.88</b>

<b>PARTICULARS</b>	<b>Amount (Rs.) as at 31.03.2017</b>	<b>Amount (Rs.) as at 31.03.2016</b>
<b><u>NOTE - 18 : FINANCE COSTS</u></b>		
<b>Interest on:</b>		
Others	1,19,425.00	1,57,500.00
	<b>1,19,425.00</b>	<b>1,57,500.00</b>

<b>PARTICULARS</b>	<b>Amount (Rs.) as at 31.03.2017</b>	<b>Amount (Rs.) as at 31.03.2016</b>
<b><u>NOTE - 19 : OTHER EXPENSES</u></b>		
<b><u>Administrative Expenses</u></b>		
Printing and stationery	31,195.00	36,469.00
Office rent	1,77,840.00	90,000.00
Communication Expenses	40,587.00	42,174.00
Computer Expenses	5,000.00	0.00
Miscellaneous Expenses	1,06,310.40	2,24,054.25
<b><u>Auditors Remuneration</u></b>		
- Audit Fees	57,500.00	25,000.00
- Other Matters	14,378.00	0.00
Bank charges	1,316.63	1,123.56
Advertisement	1,12,010.00	42,680.00
Business promotion expenses	19,812.00	12,550.00
Professional Expenses	15,000.00	20,500.00
Travelling & conveyance	52,420.00	74,427.00
	<b>6,33,369.03</b>	<b>5,68,977.81</b>

## OTHER NOTES ON ACCOUNTS

PARTICULARS	Amount as at 31.03.2017 (Rs. In Lacs)	Amount as at 31.03.2016 (Rs. In Lacs)
<b>20. COMMITMENTS</b>		
a) Estimated amount of contracts Remaining to be executed on Capital Account and not provided for :	NIL	NIL
b) Letters of Credit opened in favour of inland/overseas suppliers	NIL	NIL
<b>21. <u>Contingent Liabilities not provided for :-</u></b> (excluding matters separately dealt with in other notes)		
a) Counter guarantees issued to Bankers in respect of guarantees issued by them	NIL	NIL
b)Guarantees issued on behalf of Ltd. Co.s		
<b>22. Value of Imports on CIF Basis</b>	NIL	NIL
<b>23. Earning in Foreign Currency</b>	NIL	NIL
<b>24. Expenditure in Foreign Currency</b>	NIL	NIL

## 25. PARTICULARS OF SALES & STOCKS

PARTICULARS	CURRENT YEAR VALUE	PREVIOUS YEAR VALUE
OPENING STOCK Shares	0	0
PURCHASE Shares	1,00, 000	0
SALES Shares	0	0
CLOSING STOCK Shares	1,00, 000	0

26. In the opinion of the Board, all Current Assets, Loans & Advances (Except where indicated otherwise) collectively have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.
27. Balance confirmation certificates from parties, as appearing in the Balance Sheet under the heads 'Loans & Advances' on the assets side of the Balance Sheet are subject to confirmations of balances to the extent received have been reconciled/under reconciliation.
28. Provision regarding Provident fund and Gratuity Act, 1972 are not applicable to the company during the year under reference.
29. Details of specified Bank notes held and transacted during the period of 8<sup>th</sup> Nov 2016 to 30<sup>th</sup> Dec, 2016, as provided in the table below:

<b>PARTICULARS</b>	<b>SBN (s)</b>	<b>Other Denomination</b>	<b>Total</b>
Closing Cash in hand as on 08.11.2016	2,00,000.00	1,81,784.48	3,81,784.48
(+) Permitted receipts	0	0	0
(-) Permitted payments	0	59,346.00	59,346.00
(+) Amount withdrawn from Bank	0	1,50,000.00	1,50,000.00
(-) Amount deposited in Bank	2,00,000.00	0	0
<b>Closing Cash in hand as on 30.12.2016</b>	<b>0</b>	<b>2,72,438.48</b>	<b>2,72,438.48</b>

30. The company is engaged in the business of non-banking financial activity. Since all the activities relate to main activity, in the opinion of the management, there is only one business segment in terms of AS-17 on segment reporting issued by ICAI.
31. The company has during the year purchased shares of one company which became subsidiary of the company. As the shares were acquired and held exclusively with a view to its subsequent disposal in the near future, hence all the shares are held as Stock in Trade. Consolidation of these subsidiaries have not been done pursuant to Para 11 of AS 21 as mentioned above. The details of these subsidiaries are as under:

NAME OF THE COMPANY	No. of Shares	AMOUNT	%AGE Holding
Innowiz Traders Private Limited	10000	1,00,000.00	100%

### 32.Related Party Disclosures:

In accordance with the Accounting Standards (AS-18) on Related Party Disclosure, where control exists and where key management personnel are able to exercise significant influence and, where transactions have taken place during the year, along with description of relationship as identified, are given below:-

#### A. Relationships

a) **Wholly Owned Subsidiaries of the Company:**

Innowiz Traders Private Limited

c) **Key Managerial Personnel**

Mr. Praveen PrabhakarTiwari - Company Secretary

**The related parties with whom transaction taken place during the year and nature of related party relationship:-**

i). **Transactions with Wholly Owned Subsidiaries taken place during the year**

(a) **Investment in shares of Subsidiaries:**

Name of the related party	Relationship	Nature of Transaction	For the year ended 2016-17	For the year ended 2015-16
Innowiz Traders Private Limited	Subsidiaries(100% ABOVE)	Buy	1,00,000.00	-
				-

**33.** Tax Expense is the aggregate of current year tax and deferred tax charged to the Profit and Loss Account for the year.

Income Tax provision of Rs.95,700/- (P.Y. Rs. 58,700/-) has been made as per Income Tax Act.

#### Deferred Tax

The Company estimates the deferred tax asset using the applicable rate of taxation based on the impact of timing differences between financial statements and estimated taxable income for the current year. The movement of provision for deferred tax is given below:



PARTICULARS	Opening as at 01.04.2016	Charge/Credit during the Period	Closing as at 31.03.2017
<b><u>Deferred Tax Liabilities</u></b>			
Depreciation	1233	(1233)	0
<b><u>Deferred Tax Assets</u></b>			
Depreciation	0	0	0
<b>Net Deferred Tax Liability</b>	<b>1233</b>	<b>(1233)</b>	<b>0</b>

34. Earnings per share (EPS) – The numerators and denominators used to calculate Basic and Diluted Earning per share:

PARTICULARS	Year Ended 31.03.2017	Year Ended 31.03.2016
Profit attributable to the Equity Shareholders – (A) (Rs )	2,71,888	1,18,616
Basic/ Weighted average number of Equity Shares outstanding during the year (B)	26,70,000	26,70,000
Nominal value of Equity Shares (Rs)	10	10
Basic/Diluted Earnings per share (Rs) – (A)/(B)	0.10	0.04
<b>Calculation of profit attributable to Shareholders</b>		
Profit Before Tax	2,83,761	2,53,313
Less : Provision for Tax/ FBT/Deferred Tax	94,467	59,933
Less : Income Tax Adjustment	(1232)	11,420
Less: Contingent Provisions against Standard Assets	(81,362)	63,344
Profit attributable to Shareholders	2,71,888	1,18,616

35. Figures for the previous year have been regrouped or recasted wherever necessary.
36. Disclosure of details as required by revised para 13 of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007, earlier para 9BB of Non- Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.

### Liabilities Side:

(Rs. In Lacs)

	PARTICULARS	Year ending 31.03.2017		Year ending 31.03.2016	
(1)	Loans and advances availed by the non- banking financial company inclusive of interest accrued thereon but not paid :	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
	a) Debentures: Secured : Unsecured (other than falling within the meaning of public deposits)	-	-	-	-
	(b) Deferred Credits	-	-	-	-
	(c) Term Loans	0	-	0	-
	(d) Inter-corporate loans and borrowing	2.46	-	17.50	-
	(e) Commercial Paper	-	-	-	-
	(f) Other Loans (specify nature) - Loans from Bank	-	-	-	-

### Assets Side:

		Amount outstanding	Amount outstanding
(2)	Break-up of loans and advances including bills receivables (other than those included in (4) below :-  a) Secured b) Unsecured	- 204.88	- 281.71
(3)	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	Lease assets including lease rentals under sundry debtors : (a) Financial lease (b) Operating lease	- -	- -



accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31 March 2017, and its Profit, and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), we give in the Annexure 'I' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) In our opinion, the company has, in all material respects reasonably adequate internal financial controls system over financial reporting, keeping in view the size of the company, and nature of its business. Such Internal financial controls over the financial reporting were operating effectively as on 31.03.2017, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note " Audit of Internal Financial Controls

2. Unquoted :		
(i) Shares: (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-

(5) Borrower Group-wise classification of assets financed as in (2) and (3) above: -

	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
a) Subsidiaries	-	-	-	-	-	-
b) Companies in the same group	-	-	-	-	-	-
c) Other related parties	-	-	-	-	0	0
2. Other than related parties	-	204.88	204.88	-	281.71	281.71
Total	-	204.88	204.88	-	281.71	281.71

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	Current Year		Previous Year	
	Market Value/ Break-up or fair value or NAV	Book Value (Net of Provisions)	Market Value/ Break-up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	0	0	0	0
(c) Other related parties	-	-	0	0
2. Other than related parties	0	0	0	0

(7) Other Information

PARTICULARS	Current Year Amount	Previous Year Amount
(i) Gross Non-Performing Assets		
a) Related parties	-	-
b) Other than related parties	-	-
ii) Net Non-Performing Assets		
a) Related parties	-	-
b) Other than related parties	-	-
iii) Assets acquired in satisfaction of debt	-	-

Note : In case of Investments in unquoted shares, it is assumed that market value

**For KRISHAN RAKESH & CO.**  
**CHARTERED ACCOUNTANTS**  
**Firm Reg. No. 009088N**

**Sd/-**  
**K.K. GUPTA**  
**PARTNER**  
**PLACE : DELHI**  
**DATED :30.05.2017**

**For DURGESH MERCHANTS LIMITED**

<b>Sd/-</b>	<b>Sd/-</b>
<b>Kamal Ahuja</b>	<b>Jayanti Sharma</b>
<b>Director</b>	<b>Director</b>
<b>DIN-00005195</b>	<b>DIN-05285845</b>

**Sd/-**  
**Praveen PrabhakerTiwari**  
**Company Secretary**  
**Membership No.: A 45041**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31-3-2017**

<b>PARTICULARS</b>	<b>Amount(Rs.) as at 31.03.2017</b>	<b>Amount (Rs.) as at 31.03.2016</b>
<b><u>A. CASH FLOW FROM OPERATING ACTIVITIES :</u></b>		
Net Profit before tax and extraordinary items	2,83,760.97	2,53,313.31
Adjustments for :		
Depreciation & Amortisations	26,853.00	38,364.00
<b>Operating profit before working capital changes</b>	<b>3,10,613.97</b>	<b>2,91,677.31</b>
Adjustments for :		
Trade and other receivables	76,82,775.00	(2,46,299.00)
Inventories	(1,00,000.00)	0.00
Trade Payables	(14,61,991.90)	2,18,235.00
<b>Cash generated from operations</b>	<b>64,31,397.07</b>	<b>2,63,613.31</b>
Direct taxes paid (net of refunds)	(1,53,168.00)	(11,420.00)
<b>Net cash inflow/(outflow) in course of operating activities</b>	<b>62,78,229.07</b>	<b>2,52,193.31</b>
<b><u>B. CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
(Purchase)/sale of fixed assets		(93,800.00)
(Purchase)/sale of investments		(3,09,925.00)
<b>Net cash inflow/(outflow) in course of investing activities</b>		<b>(4,03,725.00)</b>
<b><u>C. CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
Proceeds from issue of share capital(including share premium & net of share issue expenses)	0.00	0.00
Share application money received		0.00
	0.00	
<b>Net cash inflow/(outflow) in course of financing activities</b>	<b>(63,50,000.00)</b>	<b>0.00</b>
<b>Net increase in Cash and Cash Equivalents</b>	<b>(63,50,000.00)</b>	<b>(1,51,531.69)</b>
Add: cash & cash equivalents at the beginning of year	6,25,534.31	7,77,066.00
<b>Cash &amp; cash equivalents at the close of the year</b>	<b>5,53,763.38</b>	<b>6,25,534.31</b>
<b>Notes:</b>		
1) Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard 3 (AS-3)-" Cash Flow Statements".		

**For KRISHAN RAKESH & CO.  
CHARTERED ACCOUNTANTS  
Firm Reg. No. 009088N**

**Sd/-  
K.K. GUPTA  
PARTNER  
PLACE : DELHI  
DATED :30.05.2017**

**For DURGESH MERCHANTS LIMITED**

**Sd/-  
Kamal Ahuja  
Sharma  
Director  
DIN-00005195  
05285845**

**Sd/-  
Jayanti  
  
Director  
DIN-**

**Sd/-  
Praveen Prabhaker Tiwari  
Company Secretary  
Membership No.: A 45041**

**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: L51219DL1984PLC248322

Name of the Company: **Durgesh Merchants Limited**

Venue of the Meeting: D-220, Basement, Defence Colony, New Delhi-110024

Date and Time: Wednesday, the 20<sup>th</sup> day of September, 2017 at 10:00 a.m.

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/her

2. Name: \_\_\_\_\_ Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him/her

3. Name: \_\_\_\_\_ Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_ Signature: \_\_\_\_\_, or failing him/her

as my/our Proxy to attend vote (for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Wednesday, the 20<sup>th</sup> day of September, 2017 at 10:00 a.m. at D-220, Basement, Defence Colony, New Delhi- 110024 and at any adjournment thereof) in respect of such resolutions as are indicated below:

S. No.	Resolution	Number of shares held	For	Against
<b>ORDINARY BUSINESS:</b>				
1.	Adoption of Consolidated/ Standalone Audited Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March, 2017 and the Reports of the Board of Directors and Auditors thereon.			
2.	Appointment of Director in place of Ms. Jayanti Sharma (DIN: 05285845), who retires by rotation and, being eligible, offers herself for re-appointment.			
3.	Ratify appointment of M/s Krishan Rakesh & Company, Chartered Accountants (FRN: 009088N) as Statutory Auditors of the Company.			



**SPECIAL BUSINESS:**

4.	Appointment of Ms. Poonam Ahuja (DIN: 05351468) as a Director.			
5.	Appointment of Mr. Kamal Ahuja (DIN: 0005195) as a Director.			
6.	Appointment Mr. Yash Malhotra (DIN: 07596446) as an Independent Director.			
7.	Appointment Ms. Surbhi Sharda (DIN: 07739608) as an Independent Director.			
8.	Appointment of Mr. Rohit Ahuja (DIN: 07859817) as Managing Director for the term of 5(Five) years.			

\*\* This is optional. Please put a tick mark (√) in the appropriate column against the resolutions indicated in the box. If a member leaves the “For” or “Against” column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write “Abstain” across the boxes against the Resolution.

Signed this ..... Day of ..... 2017

Signature of shareholder.....

Signature of Proxy holder(s) .....

Affix One  
Rupee  
Revenue  
Stamp

**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.

### ATTENDANCE SLIP

<b>Registered Folio / DP ID &amp; Client ID</b>
<b>Name, Address of the Shareholder and Number of Shares</b>

1. I hereby record my presence at the 33<sup>rd</sup> ANNUAL GENERAL MEETING of the Company being held on Wednesday, the 20<sup>th</sup> day of September, 2017 at 10:00 a.m. at the registered office of the company, at D-220, Basement, Defence Colony, New Delhi-110024.
2. Signature of the Shareholder/Proxy Present
3. Shareholder/Proxy holder desiring to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.
4. Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Annual Report for reference at the meeting.

*NOTE: PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING.*

.....

### ELECTRONIC VOTING PARTICULARS

EVEN(Electronic Voting Event Number)	PASSWORD	USER ID	NO. OF SHARES

**The e-voting facility will be available during the following voting period:**

<b>Commencement of e-voting</b>	<b>From 09.00 a.m. on 17<sup>th</sup> September , 2017</b>
<b>End of e-voting</b>	<b>Upto 05.00 p.m. on 19<sup>th</sup> September, 2017</b>

**Notes:**

- (i) The cut-off date for the purpose of e-voting is 15<sup>th</sup> September, 2017.
- (ii) Please read the instructions printed under the Note to the Notice dated 23<sup>rd</sup> August, 2017 of the 33<sup>rd</sup> Annual General Meeting of the Company. The E-Voting period starts from 9:00 A.M on Sunday, 17<sup>th</sup> September, 2017 and ends at 5:00 P.M on Tuesday, 19<sup>th</sup> September, 2017. The e-Voting module shall be disabled by NSDL for voting thereafter.

Diagram illustrating the layout of the Pragati Maidan area, showing roads, landmarks, and directions:

- Top:** D 220 VENUE
- Left:** LAJPAT NAGAR METRO
- Center-Left:** LADY IRWIN SCHOOL, CYCLE STAND
- Center:** PARK, INDIAN OIL PETROL PUMP
- Bottom-Left:** LALA LAJPAT RAI ROAD, TOWARDS MOOLCHAND
- Bottom-Right:** TOWARDS PRAGATI MAIDAN, FLYOVER, JANGPURA METRO
- Internal Labels:** DRON MARG

**E-mail:** durgeshmerchants@gmail.com