

DURGESH MERCHANTS LIMITED

CIN: L65923DL1984PLC248322

Regd. Office : D-328, Basement Floor, Defence
Colony, New Delhi- 110024

Ph. : 011-68888824

Email ID : durgeshmerchants@gmail.com

Website : www.durgeshmerchantsltd.com

02nd February, 2023

To,
The Executive Director,
The Calcutta Stock Exchange Limited,
7, Lyons Range, Dalhousie,
Kolkata-700001, West Bengal
(Scrip Code: 100143)

ISIN: INE616Q01011

Subject: Submission of Notice convening the Extra Ordinary General Meeting of
Durgesh Merchants Limited

Dear Sir(s),

In compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith a copy of the Notice convening the Extra-Ordinary General Meeting of the Company scheduled to be held on Wednesday, 08th day of March, 2023 at 02:00 P.M. at D-328, Basement Floor, Defence Colony, New Delhi - 110024.

Thanking You,

For Durgesh Merchants Limited
For Durgesh Merchants Limited


Aastha Vij
Company Secretary
(Company Secretary and Compliance Officer)
Office Add.: D-328, Basement Floor,
Defence Colony, New Delhi-110024

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Email ID : durgeshmerchants@gmail.comWebsite : www.durgeshmerchantsltd.com**NOTICE OF EXTRA-ORDINARY GENERAL MEETING**

Notice is hereby given that the Extra-Ordinary General Meeting (Serial No. 01/2022-2023/EGM) (hereinafter known as 'EOGM') of the members of **DURGESH MERCHANTS LIMITED** will be held on **Wednesday, 08th day of March, 2023** at 02:00 P.M at Registered Office of the Company situated at D-328, Basement Floor, Defence Colony, New Delhi-110024 to transact the following business:

SPECIAL BUSINESS:**ITEM No. 1:****INCREASE IN THE AUTHORIZED SHARE CAPITAL OF THE COMPANY AND ALTERATION OF CAPITAL CLAUSE OF MEMORANDUM OF ASSOCIATION OF THE COMPANY**

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

"RESOLVED THAT pursuant to the provisions of Sections 13, 61(1)(a), 64 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Share Capital and Debentures) Rules, 2014 ('the Rules') framed thereunder (including any statutory modification(s), amendment(s) thereto or re-enactment(s) thereof for the time being in force), and Articles of Association of the Company and on the recommendation of the Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded to increase the Authorized Share Capital of the Company from the existing Authorized Share Capital of Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore) Equity shares of Rs. 10/- (Rupees Ten) each to Rs. 15,00,00,000/- (Rupees Fifteen Crores Only) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs. 10/- (Rupee Ten) each ranking pari passu in all respect with the existing equity shares.

RESOLVED FURTHER THAT the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof by the following new Clause V as under:

'V. The Authorised Share Capital of the Company shall be Rs 15,00,00,000/- (Rupees Fifteen Crores Only) divided into 1,50,00,000 (Rupees One Crore Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten) each, with the power to increase or reduce the Capital of the Company and to divide the shares in the Capital for the time being into different classes and to attach thereto respectively such preferential or special rights or privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company.'

RESOLVED FURTHER THAT the Board of Directors and/or Key Managerial Personnel's (KMP's) of the Company, be and are hereby authorized to take all such steps and actions for the purpose of making all such filings and registrations as may be required in relation to the aforesaid amendment to the Memorandum of Association and further to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the aforesaid resolution."

ITEM NO. 2:**ISSUANCE OF EQUITY SHARES ON PREFERENTIAL BASIS**

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

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"RESOLVED THAT pursuant to the provisions of Sections 23(1)(b), 42 and 62(1)(c) and other applicable provisions, if any of the Companies Act, 2013 (the "Act") read with rules framed thereunder (including any statutory modification(s), amendments thereto or re-enactments thereof for the time being in force), and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended ("SEBI SAST Regulations), the provisions of the Memorandum of Association and Articles of Association of the Company, and other rules / regulations/ guidelines, if any, prescribed by the Ministry of Corporate Affairs, Securities and Exchange Board of India ("SEBI"), Reserve Bank of India ("RBI"), Stock Exchanges and/or any other Statutory / Regulatory Authority and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of the appropriate authorities, institutions or bodies as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval(s), consent(s), permission(s) and/or sanction(s) and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), the consent of the members of the Company be and is hereby accorded to the Board to create, issue, offer, and allot, on a preferential basis in one or more tranches, at such time or times as the Board may in its absolute discretion thinks fit, upto 81,97,466 (Eighty One Lakhs Ninety Seven Thousands Four Hundred and Sixty Six) Equity Shares having face value of Rs. 10/- each (the "Equity Shares"), for cash at a price of Rs. 10/- (Rupees Ten Only) per Equity Share aggregating upto Rs. 8,19,74,660/- (Rupees Eight Crores Nineteen Lakhs Seventy Four Thousand Six Hundred Sixty only) not being less than the price determined in accordance with the provisions of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the Companies Act, 2013 by way of preferential allotment to the following allottees:

Sr. No.	Name of Proposed Allotees	Existing Category	Status	No. of Equity Shares	Upto Consideration
1.	Kamall Ahuja	Promoter	Individual	74,94,566	Rs. 7,49,45,660/-
5.	Satyam Projects Ltd	Public	Corporate	7,02,900	Rs. 70,29,000/-

RESOLVED FURTHER THAT in accordance with the provisions of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 the "Relevant Date" for the purpose of determination of issue price of the Equity Shares shall be 06th February, 2023, i.e. 30 (thirty) days prior to the date of meeting of members of the Company scheduled to be held on 08th March, 2023 to consider Preferential issue of Equity Shares and issue price in accordance with the SEBI ICDR Regulations.

RESOLVED FURTHER THAT without prejudice to the generality of the above resolution, the issue of the Equity Shares under the Preferential Allotment shall be subject to the following terms and conditions as may be determined by the Board in accordance with the Companies Act, 2013 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 including but not limited to the following:

- (a) The said equity shares to be allotted shall be fully paid up and rank pari passu in all respects with the existing Equity Shares of the Company (including with respect to dividend and voting

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powers) from the date of allotment thereof, be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company.

- (b) The Equity Shares to be allotted shall be subject to lock-in for such period as specified in the provisions of Chapter V of the SEBI ICDR Regulation and will be listed on the Stock Exchanges subject to receipt of necessary permissions and approvals.
- (c) The Equity Shares shall be allotted in dematerialized form within a period of 15 days from the date of passing of the special resolution by the Members, provided that where the allotment of Equity Shares is subject to receipt of any approval or permission from any regulatory authority or Government of India, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approvals or permissions.
- (d) The Equity Shares shall be allotted to the subscribers for cash.
- (e) The Equity Shares held by the Proposed Allottees in the Issuer shall be in dematerialized form.
- (f) The number of equity shares so offered, issued and allotted to the subscribers shall not exceed the number of equity shares as approved hereinabove.

RESOLVED FURTHER THAT pursuant to the provisions of the Companies Act 2013, the name of the subscribers has been recorded for invitation to subscribe to the Equity Shares and a private placement offer letter in Form No. PAS-4 together with an application form be and is hereby issued to the subscribers to subscribe to the Equity Shares and consent of the members of the Company be and is hereby accorded for issuance of the same to the subscribers.

RESOLVED FURTHER THAT the monies received by the Company from the subscribers for application of the Equity Shares pursuant to this private placement shall be kept by the Company in a separate bank account opened by the Company for this purpose and shall be utilized by the Company in accordance with the provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforementioned resolutions and for the purpose of issue and allotment of the Equity Shares and listing thereof with the Stock Exchange(s), the Board be and is hereby authorized to take all actions and to do all deeds, matters and things as it may deem necessary, desirable or expedient and to resolve and settle all queries and difficulties that may arise and effect any modifications, changes, variations, alterations, additions and/or deletions to the foregoing conditions as may be required by any regulator or other authorities or agencies involved in or concerned with the issue of the Equity Shares without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their consent or approval thereto expressly by the authority of this resolution and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforementioned resolutions, the Board be and is hereby authorized to engage and appoint merchant banker, registrar to the issue and any other consultants and advisors, if required and to fix their remuneration as may be decided by the Board.

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RESOLVED FURTHER THAT for the purpose of giving effect to the offer, issue, allotment of the Equity Shares, any of the Directors or Key Managerial Personnel of the Company be and is hereby jointly and/or severally authorized to make and accept any modification(s) in terms of issue of Equity shares, subject to the provisions of the Act and the SEBI ICDR Regulations and to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary and desirable for such purpose, including without limitation preparing, signing, executing and filing applications with the appropriate authorities for obtaining requisite approvals for the issuance, listing and trading of the Equity Shares, as may be required, issuing clarifications on the issue and allotment of the Equity Shares, resolving any difficulties, effecting any modifications, changes, variation, alterations, additions and/or deletions to the foregoing conditions as may be required by any regulator, or other authorities or agencies involved in or concerned with the issue of the Equity Shares and as the Board may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent or approval of the members or otherwise.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to delegate any or all of the powers conferred upon by this resolution to any committee of directors, any other director(s), and/or officer(s) of the Company."

**For and on behalf of the Board
DURGESH MERCHANTS LIMITED**

For Durgesh Merchants Limited


Company Secretary

Aastha Vij
(Company Secretary and Compliance Officer)

Office Add.: D-328, Basement Floor,
Defence Colony, New Delhi-110024

Date: 01/02/2023

Place: New Delhi

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE EXTRA-ORDINARY 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.

2. The Explanatory Statement pursuant to Section 102 of the Act in respect of the business under Item Nos. 1 and 2 set out above are annexed hereto.
3. In view continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 05, 2022 read together with circulars dated April 08, 2020, April 13, 2020 and May 05 2020 and December 28, 2022 respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 issued by the Securities and Exchange Board of India ("SEBI Circular"), the Notice of the this Extra-Ordinary General Meeting and other documents are being sent only through electronic mode to those members whose email addresses are registered with the Company/Depositories.
4. Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting along with their copy of Notice of EGM. No extra attendance slip and/or Notice of EGM will be provided at the venue of the Extra-Ordinary General Meeting. Also, Route map to the venue of meeting is enclosed.
5. 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 Extra-Ordinary General Meeting.
6. 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.
7. 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 02nd day of March, 2023 to 08th Day of March, 2023 (both days inclusive) for the purpose of Extra-Ordinary General Meeting.
8. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company's RTA in case the shares are held by them in physical form.

9. 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 Private Limited.
10. 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.
11. 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.
12. The members who have casted 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.
13. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Members' reference available on the Company's website under Investor resources. Members are requested to submit the said details to their Depository Participants in case the shares are held by them in electronic form and to the Company's Registrar and Transfer Agent ('RTA') in case the shares are held by them in physical form, quoting their folio number.
14. As per Regulation 40 of the SEBI Listing Regulations, as amended, transfer of securities would be carried out in dematerialized form only with effect from April 1, 2019, except in case of transmission or transposition of securities. However, Members can continue to hold shares in physical form. In view of the same and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's RTA for assistance in this regard.
15. Electronic copy of the Notice of Extra-Ordinary General Meeting 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.
16. 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 Extra-Ordinary General Meeting at the registered office of the Company.
17. Members holding shares in the physical form are requested to notify changes in address, email id, bank mandate and bank particulars, if any, under their signatures to M/s. Skyline Financial Services Private Limited, D-153/A, 1st floor, Phase I, Okhla Industrial Area, New Delhi-110020, the Registrars and Share Transfer Agents (RTA) of the Company, quoting their Folio numbers. Members holding shares in electronic form may update such information with their respective Depository Participants.
18. Members are requested to notify the change in address, if any, to the Company quoting their Folio Numbers, Name and number of shares held by them etc.

- 19.** 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.
- 20.** For security reasons, no article/baggage will be allowed at the venue of the meeting.
- 21.** 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.
- 22.** 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 EGM.
- 23.** 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., 27th January, 2023 then the member may obtain Login ID and other e-Voting related details from the Company.
- 24.** 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.

25. DECLARATION OF RESULTS ON THE RESOLUTIONS:

The Scrutinizer shall, immediately after the completion of the scrutiny of the e-voting (votes cast during the EGM and votes cast through remote e-voting), within 2 working days from the conclusion of the EGM, submit a consolidated Scrutinizer's report of the total votes cast in favor and against the resolution(s), invalid votes, if any, and whether the resolution(s) has/have been carried or not, to the Chairman or a person authorized by him in writing.

The result declared along with the Scrutinizer's Report shall be placed on the Company's website <https://www.durgeshmerchantsltd.com> and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared. The Company shall simultaneously forward the proceedings to CSE Limited.

Subject to the receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting i.e., 08th March, 2023.

26. 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 Extra-Ordinary General Meeting (EGM) 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 EGM ("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 EGM 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 casted their vote by remote e-voting prior to the EGM may also attend the EGM but shall not be entitled to cast their vote again.

iv. The remote e-voting period commences on 05th March, 2023 (09:00 A.M.) and ends on 07th March, 2023 (05:00 P.M.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 01st March, 2023, 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)]:

Step 1: Log-in to NSDL e-Voting system the way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none">Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jspVisit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home

	<p>page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p>  </div> <div style="text-align: center;">  <p>Google Play</p>  </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e., NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e., NSDL where the e-Voting is in progress.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-Voting shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300***

	and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period Now you are ready for e-Voting as the Voting page opens.
3. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
4. Upon confirmation, the message "Vote cast successfully" will be displayed.
5. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
6. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csmeenu1@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Abhishek Mishra at evoting@nsdl.co.in

(i) Please follow Step1 and Step 2 above to cast vote.

- i. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990.
- ii. 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.
- iii. 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).
- iv. 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 01st March, 2023.
- v. 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., 01st March, 2023 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or

durgeshmerchants@gmail.com. A member may participate in the EGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the EGM.

- vi. 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 EGM through ballot paper.
- vii. Mrs. Meenu Gupta on behalf of M/s. Meenu Gupta & Associates 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.
- viii. The Chairman shall, at the EGM, 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 EGM but have not cast their votes by availing the remote e-voting facility.
- ix. 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 two working days of the conclusion of the EGM, 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.
- x. 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.

27. The COVID 19 is a Global Pandemic and has disrupted the social & business activities worldwide. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed. Hence, keeping in mind the safety of our stakeholders, directors, secretarial and statutory auditors we have ensured following measures while conducting Extra-Ordinary General Meeting of the Company: -

- Sanitization of the premises;
- Aaryogya setu app and body temperature of every individual to be checked before allowing entrance in the premises;
- No one is allowed without Masks;
- Every attendee has to adhere to the social distancing norms;
- No eatables will be served due to COVID-19 during meeting.
- Everyone is requested to carry their water bottles along with them.

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: L65923DL1984PLC248322

Name of the Company: DURGESH MERCHANTS LIMITED

Venue of the Meeting: D-328, Basement Floor, Defence Colony New Delhi -110024

Date and Time: Wednesday, 08th March, 2023 at 02:00 P.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 Extra-Ordinary General Meeting of the Company to be held on **Wednesday, the 08th March, 2023, at 02:00 P.M at D-328, Basement Floor, 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
SPECIAL BUSINESS:				
1.	<u>Increase in the Authorized Share Capital of the Company and alteration of Capital Clause of Memorandum of Association of the Company.</u>			
2.	<u>Issuance of Equity Shares on preferential basis.</u>			

**** 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.

Affix One
Rupee
Revenue
Stamp

Signed this Day of 2023

Signature of shareholder.....

Signature of Proxy holder(s)

Note:

- a. 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.

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:

Commencement of e-voting	05 th March, 2023 at 09:00 A.M.
End of e-voting	07 th March, 2023 till 5:00 P.M.

- The cut-off date for the purpose of e-voting is 01st March, 2023.

ATTENDANCE SLIP

Registered Folio / DP ID & Client ID

Name and Address of the Shareholder

1. I hereby record my presence at the Extra-Ordinary General Meeting of the Company being held on Wednesday, the 08th Day of March, 2023 at 02:00 P.M. at D- D-328, Basement Floor, 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 Notice of EGM for reference at the meeting.

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

ELECTRONIC VOTING PARTICULARS

EVEN (E Voting Event Number)	User ID	Password / PIN

Note: Please read the instructions printed under the Note to the Notice dated 01st February, 2023 of the Extra-Ordinary General Meeting of the Company. The E-Voting period starts from 9:00 A.M on Sunday, 05th March, 2023 and ends at 05:00 P.M Tuesday, 07th March, 2023. The e-Voting module shall be disabled by NSDL for voting thereafter.

Form No. MGT-12

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

POLLING PAPER

FOR EXTRA-ORDINARY GENERAL MEETING SCHEDULED ON WEDNESDAY, THE 08TH DAY OF MARCH, 2023 AT D- D-328, BASEMENT FLOOR, DEFENCE COLONY, NEW DELHI-110024 AT 02:00 P.M.

S. No.	Particulars	Details
1.	Name of the first named shareholder (in block letters)	
2.	Postal Address	
3.	Registered Folio No. /*Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share Equity	

I hereby exercise my vote in respect of Ordinary/Special resolution enumerated below by recording my assent or dissent to the said resolutions in the following manner:

S.No.	Resolution	No. of Shares Held	For	Against
1.	Increase in the Authorized Share Capital of the Company and alteration of Capital Clause of Memorandum of Association of the Company.			
2.	Issuance of Equity Shares on preferential basis.			

Place: New Delhi

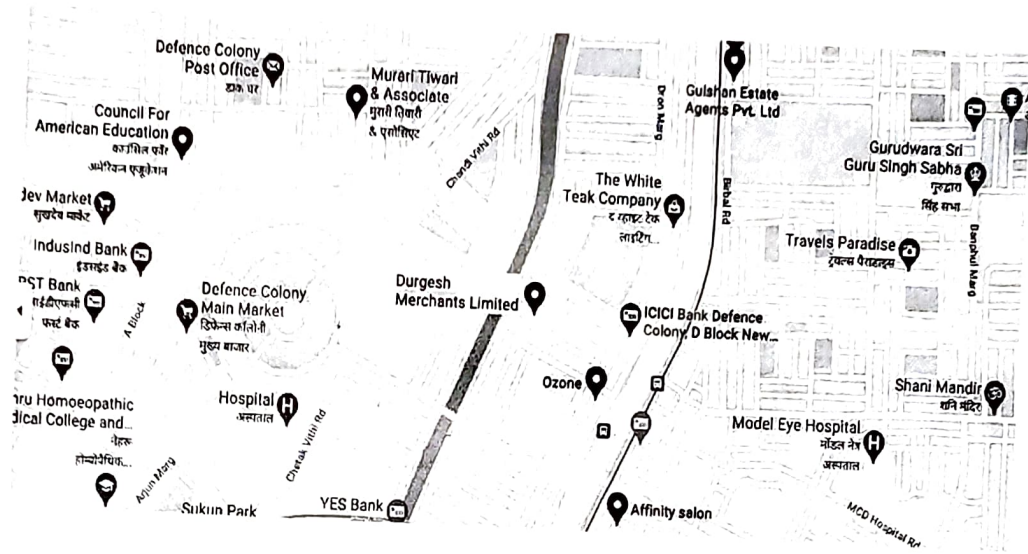
(Signature of the Shareholder)

(Name & Signature of the Proxy)

Date:

Note: Proxy who are attending and voting in this Extra-Ordinary General Meeting on behalf of members are requested to first write their name before signing it

Route Map



If undelivered, please return to:

Durgesh Merchants Limited

Office Address: D-328, Basement Floor,
Defence Colony, New Delhi-110024

E-mail: durgeshmerchants@gmail.com

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

As required by Section 102 of the Companies Act, 2013 (the "Act"), and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations") the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 1 & 2 of the accompanying Notice:

ITEM NO. 1:

INCREASE OF THE AUTHORIZED SHARE CAPITAL AND CONSEQUENT ALTERATION OF MEMORANDUM OF ASSOCIATION OF THE COMPANY

The current Authorized Capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- (Rupees Ten) each and the Paid-up Share Capital of the Company is Rs. 2,80,25,340/- (Rupees Two Crores Eighty Lakhs and Twenty Five Thousand Three Hundred and Forty only) divided in 28,02,534 (Twenty Eight Lakhs Two Thousand Five Hundred and Thirty Four) Equity Shares of Rs. 10/- (Rupees Ten) each.

To meet the long-term working capital needs of the Company it is proposed by the Board to induce additional funds by way of increasing the Share Capital. Your Board at its meeting held on 01st February, 2023 subject to the approval of the shareholders, and receipt of such other statutory/regulatory approvals, as may be required, has proposed to increase the Authorized Share Capital of the Company from Rs. 10,00,00,000 (Rupees Ten Crores only) divided into Rs. 1,00,00,000/- (One Crore) Equity shares of Rs. 10/- (Rupees Ten) each to Rs. 15,00,00,000/- (Rupees Fifteen Crores Only) divided into 1,50,00,000 (One Crore fifty lakhs) shares of Face Value of Rs 10/- (Rupee Ten) each.

It is therefore proposed to increase the Authorised Share Capital of the Company from Rs. 10,00,00,000 (Rupees Ten crore) to Rs. 15,00,00,000 (Rupees Fifteen Crore) by creation of 5,00,00,000 (Five Crore) additional equity share of Rs.10/- each ranking *paripassu* with the existing Equity Shares in all respects as per the Memorandum and Articles of Association of the Company.

Consequently, Clause V of the Memorandum of Association of the Company would also require alteration so as to reflect the increase in the Authorized Share Capital.

The proposal for increase in Authorised Share Capital and amendment of Memorandum of Association of the Company requires approval of members at a general meeting.

A copy of the Memorandum of Association of the Company along with the proposed amendments is available for inspection by the shareholders at the Registered Office of the Company between 11:00 AM and 5:00 PM on all working days between Monday to Friday from the date of dispatch of the EGM Notice till 08th March, 2023.

None of the Director(s), Key Managerial Personnel and their relatives is, in any way, concerned or interested, financially or otherwise, in the above referred resolution.

Accordingly, The consent of the members is, therefore, being sought for passing the aforesaid resolution of the notice as an Ordinary Resolution.

ITEM NO. 2:

TO APPROVE THE ISSUE OF EQUITY SHARES ON PREFERENTIAL BASIS

Your Company proposes to raise fresh capital of Rs. 8,19,74,660/- (Rupees Eight Crores Nineteen Lakhs Seventy Four Thousand Six Hundred and Sixty Only) by issuing and allotting 81,97,466 (Eighty One Lakhs Ninety Seven Thousand Four Hundred Sixty Six) Equity Shares of the Company, each of face value of Rs. 10/- (Rupees Ten Only), at a price of Rs. 10/- per Equity Share, in the following manner (collectively, "Preferential Allotment"):

The Board of directors of the Company in their meeting held on 01st February 2023 subject to necessary approval(s), have approved the Preferential Allotment. In terms of Section 62(1)(c) read with Section 42 of the Companies Act, 2013 (the "Act") and rules made thereunder, and in accordance with the provisions of Chapter V "Preferential Issue" of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "ICDR Regulations") as amended, and on the terms and conditions and formalities as stipulated in the Act and the ICDR Regulations, the Preferential Allotment requires approval of the Members by way of a Special Resolution. The Board therefore, seeks approval of the Members as set out in the notice, by way of a Special Resolution.

Salient features of the preferential issue of Equity Shares are as under:

1. The proposed issue and allotment of Equity Shares on a preferential basis, shall be governed by the applicable provisions of the ICDR Regulations and the Act read with the applicable provisions of the rules made thereunder.
2. The Relevant Date for the pricing of the Equity Shares to be issued pursuant to the aforesaid Preferential Allotment was supposed to be 06th February, 2023 being 30 days prior to the date of this Extra-Ordinary General Meeting.
3. In terms of Regulation 165 of the ICDR Regulations the price at which the Equity Shares being proposed to be allotted on preferential basis shall be price based on valuation report submitted by Independent Registered Valuer (**annexed as an Annexure A**).
4. This is the first preferential issue of equity shares by the Company in this financial year and no other persons have been allotted any securities on a preferential basis during the current year.

Following disclosures for the issue of Equity Shares on preferential basis are made in accordance with the provisions of Section 42, 62(1)(c) of the Act and Rule 13 of the Companies (Share Capital and Debentures Rules), 2014, Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Regulation 163 of the ICDR Regulations:

a) Particulars of the offer including the date of passing of the Board Resolution:

The Board of Directors in their meeting held on 01st February, 2023 has approved the offer and issue of 81,97,466 equity shares having face value of Rs. 10/- (Rupees Ten) at an issue price of Rs. 10/- (Rupees Ten) per share.

b) Object of the issue:

Pursuant to circular no. SEBI/HO/MRD/DSA/CIR/P/2016/110 dated 10th October, 2016 and the letter of intent issued by the Company to the NSE on 24th July, 2019 and further communication to the NSE via e-mail on 26th December, 2022, the Company decided to opt for raising further capital for meeting the listing requirement of National Stock Exchange of India (NSE). Thus the Board has proposed to issue upto 81,97,466 (Eighty One Lakhs Ninety Seven Thousand Four Hundred Sixty

Six) Equity Shares of Rs. 10/- (Rupees Ten) each on preferential basis aggregating upto Rs. 8,19,74,660/- (Rupees Eight Crores Nineteen Lakhs Seventy Four Thousand Six Hundred and Sixty Only)

The proceeds for the preferential allotment shall be used to fund the Company's growth capital requirements, capital expenditure and maintenance of adequate liquidity for the future requirements and other general corporate purposes of the Company in line with the growth strategy of the Company and therefore, will strengthen the long term financial position of the Company.

c) Kinds of securities offered and the price at which security is being offered:

The Company has agreed to issue upto 81,97,466 Equity Shares at an issue price of Rs. 10/- which is not less than the price as determined by the Independent Registered Valuer.

d) Amount which the company intends to raise by way of such securities:

The Company intends to raise Rs. 8,19,74,660/- (Rupees Eight Crores Nineteen Lakhs Seventy Four Thousand Six Hundred and Sixty Only) for a consideration in cash.

e) Maximum number of specified securities to be issued:

The Board of Directors of the Company in their meeting held on 01st February, 2023, had subjected to the approval of the members of the Company and such other approvals as may be required, approved the issue of Equity Shares of the Company to Mr. Kamall Ahuja, Promoter of the Company and Satyam Projects Ltd, on a preferential basis, for cash consideration upto 81,97,466 Equity Shares at a price of Rs. 10/- per Share aggregating upto Rs. 8,19,74,660/- (Rupees Eight Crores Nineteen Lakhs Seventy Four Thousand Six Hundred Sixty Only).

The terms and conditions of the Preferential Allotment of the Equity Shares are as stated in the resolution.

f) Basis on which the price has been arrived at along with report of the registered valuer:

The Company is placed on the dissemination board of the National Stock Exchange of India (NSE) and the equity shares of the Company are infrequently traded in terms of the Regulation 165 of SEBI ICDR Regulations. Therefore the price has been determined by the Independent Registered Valuer and has take into account the valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of the company. The price determined by the Independent Registered Valuer is Rs. 10/- which is in accordance with the provisions of the Regulation 165 and 166A of SEBI ICDR Regulations.

g) The Price or the Price band at/within which the allotment is proposed:

The Preferential Issue of Equity shares are proposed to be issued at a price of Rs. 10/- (Rupees Ten Only) which consist of Rs. 10/- (Rupees Ten Only) as Face Value. Kindly refer to the abovementioned point no. f for the basis of determination of the price.

h) The Class or classes of persons to whom the allotment is proposed to be made:

The Preferential Issue of Equity Shares is proposed to be made to Mr. Kamall Ahuja, Promoter and Director of the Company and M/s Satyam Projects Ltd, a Non Banking Financial Company (NBFC) incorporated under provisions of Companies Act, 1956 and it is under Non-Promoter category.

i) Intention of the Promoters, Directors or Key Managerial Personnel to subscribe to the offer:

The Equity Shares shall be offered to Mr. Kamall Ahuja, Promoter of the Company and Director of the Company.

Mr. Kamall Ahuja (Promoter and Director of the Company) has indicated his intention to subscribe to the Equity Shares of the Company issued on a preferential basis. Except for the subscribers, none of the Directors or the Key Managerial Personnel of the Company intends to subscribe to any of the Equity Shares proposed to be issued under the preferential allotment.

j) Shareholding pattern of the Company before and after the preferential issue:

Shareholding Pattern before and after the proposed issue based on the shareholding as on March 31, 2022 is given below:

S.No.	Category of Shareholder(s)	Pre-Issue Shareholding		*Post Issue Shareholding	
		No. of Shares held	% of Shares	No. of Shares Held	% of Shares
(A)	Promoter and Promoter Group's Shareholding				
1	Indian				
a)	Individual/ Hindu Undivided Family	7,00,634	25.00	81,95,200	74.50
b)	Central Government/ State Government(s)	-	-	-	-
c)	Bodies Corporate	-	-	-	-
d)	Financial Institutions/ Banks	-	-	-	-
e)	Any Others (Specify)	-	-	-	-
	Sub Total (A) (1)	7,00,634	25.00	81,95,200	74.50
2	Foreign				
a)	Individuals (Non- Resident Individuals/ Foreign Individuals)	-	-	-	-
b)	Bodies Corporate	-	-	-	-
c)	Institutions	-	-	-	-
d)	Any Others (Specify)	-	-	-	-
	Sub Total (A) (2)	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	7,00,634	25.00	81,95,200	74.50
(B)	Public/ Non-Promoters' Shareholding				
1	Institutions				
a)	Mutual Funds/ UTI	-	-	-	-
b)	Financial Institutions/ Banks	-	-	-	-
c)	Central Government/ State Government(s)	-	-	-	-
d)	Venture Capital Funds	-	-	-	-
e)	Insurance Companies	-	-	-	-
f)	Foreign Portfolio Investors	-	-	-	-
g)	Foreign Institutional Investors	-	-	-	-

h)	Foreign Venture Capital Investors	-	-	-	-
i)	Any Other-Foreign Body Corporate	-	-	-	-
	Sub Total (B) (1)	-	-	-	-
2	Non-Institutions				
a)	Individuals				
i)	Individual shareholders holding nominal share capital up to Rs. 2 lakhs	3,53,771	12.62	3,53,771	3.22
ii)	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	11,60,129	41.40	11,60,129	10.55
b)	Body Corporate	-	-	-	-
c)	NBFCs registered with RBI	2,90,000	10.35	9,92,900	9.02
d)	Any other, specify				
	Clearing Members	-	-	-	-
	Non-Resident Indians	-	-	-	-
	HUF	2,98,000	10.63	2,98,000	2.71
	Trust	-	-	-	-
	LLP	-	-	-	-
	Sub Total (B) (2)	21,01,900	75.00	28,04,800	25.50
	Total Public Shareholding (B)= (B)(1)+(B)(2)	21,01,900	75.00	28,04,800	25.50
C	Non-Promoter Non-Public Shareholder				
	Shares held by Custodian for GDRs & ADRs	-	-	-	-
	Employee Benefits Trust (under SEBI (SBEB) Reg, 2021)	-	-	-	-
	Sub Total (C)	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	28,02,534	100.00	1,10,00,000	100.00

*Note:

The post issue shareholding pattern in the above table has been prepared on the basis that the Proposed Allottee would have subscribed to and been allotted all the Equity Shares. In the event for any reason, the Proposed Allottee does not or are unable to subscribe to and/or are not allotted the Equity Shares, the shareholding pattern in the above table would undergo corresponding changes.

It is further assumed that shareholding of the Company in all other categories will remain unchanged.

The Company will ensure compliance with all applicable laws and regulations including the SEBI ICDR Regulations at the time of allotment of Equity Shares of the Company.

k) Proposed time within which the allotment shall be completed:

As required under the SEBI ICDR Regulations, the Equity Shares shall be allotted by the Company within a maximum period of 15 days from the date of passing of the Special Resolution by the Members for issue and allotment of the Equity Shares, provided that where the allotment of the proposed Equity Shares is pending on account of receipt of any approval or permission from any regulatory or statutory authority, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approvals or permissions.

l) Identity of the natural persons who are the ultimate beneficial owners of the Equity Shares proposed to be allotted and/or who ultimately control the proposed allottees and the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue:

The Shares are proposed to be issued to Mr. Kamall Ahuja, a natural person and M/s Satyam Projects Ltd, and Mr. Rajkumar Amolackchand Biyala is the Ultimate Beneficial owner of M/s Satyam Projects Ltd as he is the Managing Director of the Company and no person holds more than 25% shareholding of the Proposed Allottee.

The percentage of the post preferential issue capital that may be held by the Proposed Allottees and change in control, if any in the Company consequent to the preferential issue is given in the following table:

S. No.	Proposed Allottee Subscribing the Shares	Category	Natural persons who are the ultimate beneficial owners	Pre-Issue Shareholding		No. of Equity Shares to be allotted	Post-Issue Shareholding	
				No. of Shares	% of Shares		No. of Shares	% of Shares
1.	Kamall Ahuja	Promoter	Kamall Ahuja	7,00,634	25.00	74,94,566	81,95,000	74.50
2.	Satyam Projects Ltd	Non-Promoter	Rajkumar Amolackchand Biyala	0.00	0.00	7,02,900	7,02,900	6.39

m) The percentage of post preferential issue capital held by the proposed allottees:

Sr. No.	Name of Proposed Allottees	No. of Equity Shares proposed to be allotted	Post-Issue Holding	% on Post-Issue Paid-Up Capital
1	Kamall Ahuja	74,94,566	81,95,200	74.50
2	Satyam Projects Ltd	7,02,900	7,02,900	6.39

n) Change in control:

The proposed allotment on preferential basis, will result in change in control of the Company as per the provisions of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended. However, Pursuant to circular no. SEBI/HO/MRD/DSA/CIR/P/2016/110 dated 10th October, 2016 has provided that in order to raise capital to facilitate listing on Nationwide Stock Exchange the process of raising capital through preferential allotment, if the allotment is made to promoters/public such that it is in excess of the threshold limits(5% or 25%)of the SEBI (Substantial Acquisition of Shares and Takeovers Regulations), 2011 (SAST), the provisions of SAST Regulation shall not be applicable for the proposed acquisition subject to the overall holding of the promoter group not exceeding 75% of the paid up capital of the company.

o) Lock-in period:

The Shares to be offered issued and allotted shall be subject to Lock-in as provided under the provisions of ICDR Regulations. The equity shares allotted in excess of the 20% shall be locked-in for 6 Months from the date of Trading Approval. The entire pre preferential shareholding of the above allottees, if any, shall be locked-in from the relevant date up to the period 90 trading days from the date of trading approval as per Regulation 167 of the ICDR Regulations.

p) Listing

The Company will make an application to the National Stock Exchange of India (NSE) for listing of the aforementioned Equity Shares.

The above shares, once allotted, shall rank pari passu with the then existing equity shares of the Company in all respects.

q) The current and proposed status of the allottee post the preferential issues namely, promoter or non-promoter

The Current and proposed status of the Proposed Allottee post the preferential issue is as follows:

S. No.	Name of Allottee	Current Status	Proposed Status
1.	Kamall Ahuja	Promoter	Promoter
2.	Satyam Projects Ltd	Nil	Non-Promoter

r) Undertaking as to recomputation of price and lock-in of the specified securities in terms of the provision of these regulations:

In terms of SEBI (ICDR) Regulations, 2018, the Company hereby undertakes that:

It shall re-compute the price of the Equity Shares issued in terms of the provisions of SEBI (ICDR) Regulations, where it is required to do so.

If the amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, the underlying Equity Shares shall continue to be locked-in till the time such amount is paid by the proposed allottees.

s) Relevant Date:

In terms of the provisions of Chapter V of the SEBI ICDR Regulations and in accordance with the explanation to Regulation 161 of the SEBI ICDR Regulations, the Relevant Date for determining the floor price for the Preferential Issue is 06th February, 2023 being 30 days prior to the date of the Extra-ordinary General Meeting.

t) Name and Address of Valuer who performed the Valuation:

The Valuation was performed by Mr. Hemang Harshadbhai Shah, a Registered Valuer (Reg. No. IBBI/RV/03/2020/12854) having its office at Co-Venture Hub, 314-316, 3rd Floor, Kalp Business Hub, Above SBI Bank, Bahucharaji Road, Karelibaugh, Vadodara-390018

u) The Proposed time within which the allotment shall be completed:

The Company will issue and allot equity shares to Proposed Allottees and Promoters within the time limit specified under the SEBI (ICDR) Regulations or any longer time limit as may be permitted under the SEBI (ICDR) Regulations.

v) Material Terms of raising of such securities

The Equity Shares are being issued on a preferential basis for a consideration in cash at an issue price of Rs. 10/- (Rupees Ten Only) per share in accordance with Regulation 165 and 166A of SEBI (ICDR) Regulation to the proposed allottees.

The Equity-Shares being issued shall be pari-passu with the existing Equity Shares of the company.

w) Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects; principle terms of assets charged as securities:

Mr. Kamall Ahuja, promoter and Director of the company is being allotted 74,94,566 shares as part of offer.

Principle terms of assets charged as securities - Not Applicable

x) The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price

During the year, no preferential allotment of any securities has been made to any person.

y) Practicing Company Secretary's Certificate:

A certificate from Ms. Meenu Gupta, Practicing Company Secretary, certifying that the Preferential Issue of Equity Shares is being made in accordance with the requirements contained in the SEBI ICDR Regulations and it shall be made available for inspection by the Members during the General Meeting of the Shareholders. The same is also available on the Company's website at www.durgeshmerchantsltd.com.

z) Undertakings:

- Neither the Company, nor any of its Directors and / or Promoters have been declared as willful defaulter as defined under the SEBI ICDR Regulations. Consequently, the disclosures required under Regulation 163(1)(i) of the SEBI ICDR Regulations are not applicable.
- Neither the Company nor any of its Directors and / or Promoters are a fugitive economic offender as defined under the SEBI ICDR Regulations.
- The Company is eligible to make the Preferential Issue to its Investor under Chapter V of the SEBI ICDR Regulations.
- The Proposed Allottee has confirmed that it has not sold any equity shares of the Company during the 90 Trading Days preceding the Relevant Date.
- The Company shall re-compute the price of the Equity Shares to be allotted under the Preferential Allotment in terms of the provisions of SEBI ICDR Regulations where it is required to do so.
- If the amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI ICDR Regulations, the Equity Shares to be allotted under the Preferential Allotment shall continue to be locked-in till the time such amount is paid by the allottees.

- The Company is in compliance with the conditions for continuous listing of Equity Shares as specified in the listing agreement with the Stock Exchange and the Listing Regulations, as amended and circulars and notifications issued by the SEBI thereunder.

Further the draft private placement offer cum application letter is attached as an **Annexure-B**.

None of the Director(s), Key Managerial Personnel and their relatives is, in any way, concerned or interested, financially or otherwise, in the above referred resolution except Mr. Kamall Ahuja as he is the proposed allottee for the issue of equity shares on preferential basis.

Accordingly, The consent of the members is, therefore, being sought for passing the aforesaid resolution of the notice as a Special Resolution.

For and on behalf of the Board
DURGESH MERCHANTS LIMITED
For Durgesh Merchants Limited

Aastha Vij
(Company Secretary and Compliance Officer)
Office Add.: D-328, Basement Floor,
Defence Colony, New Delhi-110024

Date: 01/02/2023
Place: New Delhi

VALUATION REPORT OF EQUITY SHARES OF DURGESH MERCHANTS LIMITED

Prepared by:

Hemang Harshadbhai Shah

Practicing Company Secretary

IBBI Registered Valuer - Securities or Financial Assets

Registered Trademark Agent

Qualified Independent Director

Contact:

E – Mail: hemang_shah1989@yahoo.com

Mobile: 9099712511

I. Preamble

This report is prepared by Hemang Shah, Proprietor of Hemang Shah & Associates and IBBI Registered Valuer (Registered Valuer) solely for the purpose of valuation Equity Shares of DURGESH MERCHANTS LIMITED (The Company). Registered Valuer has been appointed by the Company on 23rd January 2023 ("Date of Appointment"). The valuation date (relevant date) is 06th February 2023 ("Valuation date / relevant date"). This report is subject to the scope of limitations detailed hereinafter. This report has been prepared solely for the purpose set out in this report and should not be reproduced (in part or otherwise) in any other document whatsoever without Registered Valuer's specific written consent.

Registered Valuer has relied on such data, information, etc. as was necessary and deemed for the purpose of this assignment which has been made available to Registered Valuer by the management of the Company / Authorized Person and relied on the statements, information and explanation provided and has not tried to evaluate the accuracy thereof.

Registered Valuer's work does not constitute certification or due diligence of the past working results of the Company and Registered Valuer has relied upon the information provided to it by the Company as set out in their results.

Registered Valuer has not carried out any physical verification of the assets and liabilities of the Company and takes no responsibility on the identification, availability and valuation of such assets and liabilities.

II. Scope and Purpose of Valuation

DURGESH MERCHANTS LIMITED intends to issue Equity Shares on preferential basis. In this regard, DURGESH MERCHANTS LIMITED has engaged me to carry out valuation of Equity Shares of the Company as per requirements of Sub-Regulation 1 of Regulation 166A r.w. Regulation 165 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, on the relevant date being 06th February 2023.

III. Identity of the Valuer and Any other experts involved in the Valuation

Name of the Valuer	Hemang Harshadbhai Shah
Registration Number	IBBI/RV/03/2020/12854
Address of the Valuer	Co – Venture hub, 314 - 316, 3rd Floor, Kalp Business Hub, Above SBI Bank, Bahucharaji Road, Karelibaugh, Vadodara – 390018
Contact Detail	9099712511
Email Address	hemang_shah1989@yahoo.com
Qualifications	Practicing Company Secretary, IBBI Registered Valuer, Registered Trade Mark Agent, Qualified Independent Director
Disclosure of Interest or Conflict	None

IV. Inspections and / or investigation undertaken

Following are the Sources of information:

- (A) Audited Financial Statements for the Financial Year ended on 31st March, 2022.
- (B) Unaudited Financial Statements up to 31st December, 2022.
- (C) Other business related information and explanations given during the process of valuation as was required for filling the gaps.
- (D) Reliance has been placed on the verbal explanations and information given to us and certified documents provided by directors of the Company and other representatives and associates of the Company.

Besides the above listing, there may be other information provided by the Client which may not have been perused by me in any detail, if not considered relevant for my defined scope.

V. About the Company

Name of the Company	DURGESH MERCHANTS LIMITED
Date of Incorporation	27th December, 1984
CIN	L65923DL1984PLC248322
Registered office	D-251, Ground Floor, Defence Colony, New Delhi South Delhi DL 110024 IN*
Director(s) and KMP	As per “ Annexure – A ”.

* As informed, the Company has changed its Registered Office to “D-328, Basement Floor, Defence Colony, New Delhi- 110024” with effect from 18th January, 2023 for which ROC Form filing is pending.

Authorized and Paid Up Capital of the Company as on Valuation Report Date is Rs. 10,00,00,000/- and Rs. 2,80,25,340/- respectively.

VI. Brief Profile of the Company

As per “**Annexure – B**”.

VII. About the Industry in which the company operates

As per “**Annexure – C**”.

VIII. About the Business of the Company - Main object of the Company as per MOA of the Company

As per “**Annexure – D**”.

IX. Procedures adopted in carrying out the Valuation and Valuation Standard followed

- (A) Receipt of proposal for valuation;
- (B) Collection of information and documents;
- (C) Determining valuation approaches and methods;
- (D) Valuation synthesis & revisiting the assumptions and decision made; Report preparation and its validation;

X. Valuation Standards followed

International Valuations methodology and relevant International Valuations Standards (popularly known as 'IVS') issued by IVSC have been followed for preparation and valuation of the Equity Shares along with Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018.

Regulation 165 of ICDR –

“Where the shares of an issuer are not frequently traded, the price determined by the issuer shall take into account the valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of such companies: Provided that the issuer shall submit a certificate stating that the issuer is in compliance of this regulation, obtained from an independent²¹⁸[registered] valuer to the stock exchange where the equity shares of the issuer are listed.”

Regulation 166 (1) of ICDR –

“166A. (1) Any preferential issue, which may result in a change in control or allotment of more than five per cent. of the post issue fully diluted share capital of the issuer, to an allottee or to allottees acting in concert, shall require a valuation report from an independent registered valuer and consider the same for determining the price:”

XI. Premises of value, Valuation Approaches and Methods

The valuation exercise involves selecting a method suitable for the purpose of valuation, by exercise of judgment by the Valuer, based on the facts and circumstances as applicable to the specific transaction.

Valuation by its very nature, cannot be regarded as an exact science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgment. Given the same set of facts and using the same assumptions, expert opinions may differ due to the number of separate judgment decisions. There can therefore be no standard formula to establish an indisputable value, although certain formula are helpful in assessing reasonableness.

For the purpose of determining fair value, a Valuer may therefore, use any of the approaches as per the generally / internationally accepted valuation methodologies which in its opinion are most appropriate based on the facts of each valuation.

The internationally / generally accepted valuation methodologies have been discussed hereinafter, along with the reasons for choice of approach used.

Premise of Value

The premise of the value determination is 'Going Concern' and the value of Equity Shares so determined is of a company expected to continue to operate in future.

Approaches of Valuation

There are three approaches to carry out valuation of Equity Shares:

1. Market Approach
2. Cost Approach
3. Income Approach

1. Market Approach

Usually under the market based approach, the methods that may be applied are Market Price Method, Comparable Multiple Method (CMM), Comparable Transaction Method (CTM) or Price of Recent Investment Method (PORI). Under CMM method various multiple like EV/Sales, EV/EBITDA, P/BV P/E, Price/Sales can be used to value a business or Securities or Financial Assets depending upon the facts and circumstances of the cases.

2. Cost Approach

Under this approach, the book value / replaceable value / realizable value of the underlying assets of the company is determined to arrive at the value of the business, depending on the facts and circumstances applicable to a company.

Usually under the asset-based approach, the methods that maybe applied are Net Book Value Method, Net Replaceable Value, Net Realizable Value.

Net Book Value method considers the book value of all assets and liabilities and arrives at fair value of underlying asset whereas Net Replaceable Value is the method which considers replacement cost of existing assets instead of Book Value and Net Realizable Value is the Method which considers realizable value instead of Book Value of assets and liabilities.

3. Income Approach

Usually under the Income Based Approach, the methods that may be applied are Discounted Cash Flow Method / Dividend Discount Method (DCF) or the Price Earning Capacity Value (PECV) Method.

Under DCF method, the future free cash flows of the business or Securities or Financial Assets are discounted to the valuation date to arrive at the present value of the cash flows of the business or Securities or Financial Assets or capitalized using a discount rate depending on the capital structure of the company. This method also takes into account the value of the business or Securities or Financial Assets in perpetuity by the calculation of terminal value using the exit multiple method or the perpetuity growth method, whichever is appropriate.

Under PECV method, the average earning on the basis of past 3-5 year are first determined, adjustments are then made for any exceptional transactions or items of non- recurring nature. The adjusted average earning are then capitalized at an appropriate rate to arrive at the value of business. The capitalization rate so factored has to be decided depending upon various factors such as the earning trend in the industries, P/E prevailing in the industries etc.

As informed by the Company Status of Trading is not active on CSE hence shares of the Company will not be frequently traded on relevant date hence we have taken into account various valuation parameters such as book value, comparable trading multiples, etc. and after that we have selected book value method under cost approach for current valuation.

XII. List of Assumptions and Limiting Conditions

1. The conclusion of value arrived at herein is valid only for the stated purpose as of the date of the valuation and may not be used out of the context presented herein.
2. Public information, estimates, industry and statistical information contained in this report have been obtained from sources considered to be reliable. However, the undersigned, independently did not verify such information and make no representation as to the accuracy or completeness of such information obtained from or provided by such sources.
3. The company and its representatives warranted to the undersigned that the information supplied was complete and accurate to the best of their knowledge and that the financial information properly reflects the business conditions and operating results for the respective periods in accordance with generally accepted accounting principles. We have not audited, reviewed, or compiled the financial information provided to us and, accordingly, we express no audit opinion or any other form of assurance on this information.
4. I do not provide assurance on the achievability of the results forecasted by the client because events and circumstances frequently do not occur as expected; differences between actual and expected results may be material; and achievement of the forecasted results is dependent on actions, plans, and assumptions of management. Projections were made, analyzed, discussed, modified and finalized by the Company and the Company is confident to achieve results projected by them.
5. Possession of this report, or a copy thereof, does not carry with it the right of publication of all or part of it nor may it be used for any purpose by anyone other than those enumerated in this report without written consent. This report and the conclusion of value arrived at herein are for the exclusive use of our client for the sole and specific purposes as noted herein.
6. This valuation reflects facts and conditions existing or reasonable foreseeable at the valuation date. Subsequent events have not been considered, and the undersigned has no obligation to update the report for such events and conditions.
7. No change of any item in this valuation / conclusion report shall be made by anyone other than the undersigned and shall have no responsibility for any such unauthorized change.
8. It is assumed that there is full compliance with all applicable Central, State, and local environmental regulations and laws and I do not provide assurance on compliance of various laws and acts i.e. Companies Act, 2013.
9. To derive Valuation, we have made few assumptions which may differ Accounting Principles.
10. I have made no investigation of title to property, and assume that the owner's claim to the property is valid.

XIII. Valuation of Equity Shares.

As per “Annexure – E”.

Based on analysis of the company and subject to our comments and caveats as detailed, the fair value of the Equity Shares of the company (As calculated in “Annexure – E”) as on 06th February 2023, having face value of Rs. 10.00/- each has been arrived at Rs. 10/- (Rounded off) per Equity Share through Net Book Value Method under Cost Approach.

 
HEMA SHAH

IBBI Registered Valuer

Registration Number: IBBI/RV/03/2020/12854

COP Number: ICSIRVO/SFA/93

Date: 30th January, 2023

Place: Vadodara

DURGESH MERCHANTS LIMITED

ANNEXURE - A = LIST OF DIRECTORS AND KMP AS ON VALUATION REPORT DATE (AS PER ROC MASTER DATA)

Serial Number	DIN	Full Name	Designation	Date of Appointment
1	00005195	KAMALL AHUJA	Director	06/04/2017
2	05287812	SURANJAN UPADHYAY	Director	09/08/2022
3	05351468	POONAM AHUJA	Director	22/03/2017
4	07859817	ROHIT AHUJA	Director	30/05/2017
5	07859817	ROHIT AHUJA	Managing Director	30/05/2017
6	09621318	RISHABH BANSAL	Director	09/08/2022
7	AUWPB0977H	AANCHAL BHARDWAJ	CFO(KMP)	10/11/2022
8	09724233	AANCHAL BHARDWAJ	Additional Director	10/11/2022

* As informed, the Company has appointed CS Aastha Vij (Membership Number: A49523) as Whole Time Company Secretary with effect from 01st January, 2023 for which ROC Form filing is pending.

DURGESH MERCHANTS LIMITED

ANNEXURE - B = COMPANY INTRODUCTION / BRIEF PROFILE

Durgesh Merchant Limited is a public Ltd having registered office at D-251, Ground Floor, Defence Colony, New Delhi, 110024. The Company was originally incorporated on 27th December, 1984 as a public limited Company with its Certificate of Commencement of Business dated 31st December, 1984. The Corporate Identification Number of the Company is L65923DL1984PLC248322. The Company got listed on Ludhiana Stock Exchange through its initial public offer in 1984; the Company also got listed at Calcutta Stock Exchange in the year 2014. Being a listed Company, it always tries to follow high standards of corporate governance to the maximum extent possible.

Durgesh Merchants Limited is a (Non-Deposit Accepting) Non-Banking Financial Company (NBFC). The Company obtained its Certificate of Registration from Reserve Bank of India (RBI), Ludhiana to carry on the business of Non-Banking Financial Institution on 14th May, 2002. The Registration Number of the Company with RBI is B.06.00133. The Company obtained its fresh Certificate of Registration, in lieu of earlier Certificate of Registration, from Reserve Bank of India (RBI), New Delhi to carry on the business of Non-Banking Financial Institution on 11th September, 2015. The Registration Number of the Company with RBI is B-14.03319. The Company is involved in the financial business to carry on all or any of the business of financiers of industrials, commercials, and other enterprises.

The Company is managed by a team of experienced people including the Board of Directors & other Management personal. At present there are five Directors on the Board of the Company having their background in the area of finance, Accounts, Laws etc.

DURGESH MERCHANTS LIMITED

ANNEXURE - C = ABOUT THE INDUSTRY IN WHICH COMPANY OPERATES

The Department of Non-Banking Supervision (DNBS) is entrusted with the responsibility of regulation and supervision of Non-Banking Financial Companies (NBFCs) under the regulatory - provisions contained under Chapter III B and C and Chapter V of the Reserve Bank of India Act, 1934.

The Regulatory and Supervisory Framework of the Reserve Bank provides for, among other things, registration of NBFCs, prudential regulation of various categories of NBFC, issue of directions on acceptance of deposits by NBFCs and surveillance of the sector through off-site and on-site supervision. Deposit taking NBFCs and Systemically Important Non-Deposit Accepting Companies are subjected to a greater degree of regulation and supervision. The focus of regulation and supervision is three fold, viz., a) depositor protection, b) consumer protection and c) financial stability.

The Reserve Bank has also been empowered under the RBI Act 1934 to take punitive action which includes cancellation of Certificate of Registration, issue of prohibitory orders from accepting deposits, filing criminal cases or winding up petitions under provisions of Companies Act in extreme cases.

Developmental activities of the Department

Co-ordination with State Governments to pass State Legislations to curb unauthorized and fraudulent activities

Conducting public awareness programmes, depositors' education, conducting workshops / seminars for trade and industry organizations

Promoting Self-Regulatory Organization (SRO) for NBFC-MFI

Conducting training programmes for personnel of NBFCs, State Governments, State Police and auditors of NBFCs

Interacting with co-regulators viz., SEBI, IRDA, and Government of India and State Governments for greater coordination on related issues.

The current focus of the Department is to

Identify and review regulatory framework to bridge gaps and align regulations with other financial intermediaries, wherever appropriate;

Identify and monitor areas of systemic risks and unregulated shadow banking activities from the financial stability perspective;

Supervise the regulated entities through Off-Site Reporting, On-Site Inspections and Market Intelligence;

Coordinate with other financial sector regulators and enforcement agencies to check unauthorized financial activities;

Conduct public awareness campaigns on Non-Banking Financial Companies and unauthorized acceptance of deposits through press advertisements, participation in fairs / workshops/seminars;

Streamline the sector to ensure that only serious players occupy the NBFC space

Enhance disclosure and transparency in the sector

(Source: <https://www.rbi.org.in/Scripts/NBFCCitiChart.aspx>)

DURGESH MERCHANTS LIMITED

ANNEXURE - D = BUSINESS OF THE COMPANY / MAIN OBJECT AS PER MOA

Main Object Clause as per MOA of the Company:

1. To carry on the business of buyers, sellers, importers, exporters, agents, dealers and suppliers of agricultural products, fertilizers, iron and steel, metals and minerals products, engineering goods, components, dyes, chemicals, pharmaceutical products, pigments, papers, cement, plastic, leather goods, handicrafts, processed foods, tobacco and tobacco products, cigarettes, jute and its products like gunny bags, hessian, textiles including cotton, woolen, art silk, natural silk, readymade garments, hosiery and mixed fabrics and all types of commodities, merchandise and goods and to act as sellers, purchasers of licences, release orders, permits, quotas and to enter into joint venture agreement relating to the above referred commodities and merchandise.
2. To purchase or otherwise deal in real estate, lands, houses, buildings, sheds and other fixtures on land and buildings and to let them out on lease, rent, contract or any other agreement as may be deemed fit or to buy and sell lands, houses, apartments to any person on such terms and conditions as may deemed fit or to hold, maintain, sell, allot houses, apartments, sheds, or buildings thereof to the shareholders or to any other person and to carry on the business of builders, surveyors, bricks, sanitary goods and tiles, lime burners, houses and estate agents.
3. To carry on all or any of the business of financiers (not amounting to banking business) of industrials, commercial and other enterprises and general financiers, leasing of all kinds of plants, machineries, equipments, tools, vehicles of every description, lands, buildings and any other movable or immovable properties, film financiers, producers and distributors and exhibitors, money lenders, sahukas, trustees, executors, attorneys, receivers, administrators, moninees, real estate, guarantors, hire purchase dealers and such other business or acts required in respect thereof.
4. To carry on the business of commission agents, brokers, factors, consultants, representatives, middlemen, real estate, iron and steel, food-grains, jute, tea, cotton and textiles, exports, and a guarantee house.

DURGESH MERCHANTS LIMITED

ANNEXURE - E = VALUATION OF EQUITY SHARES AS ON 06TH FEBRUARY, 2023 ON THE BASIS OF NET BOOK VALUE METHOD BASED ON UNAUDITED BALANCE SHEET AS ON 31ST DECEMBER, 2022

Particulars	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
TOTAL ASSETS			4,29,67,665.45
FIXED ASSETS		8,422.00	
Computer & Peripherals	1,803.00		
Furniture & Fixture	3,974.00		
Software	2,645.00		
INVESTMENTS		65,39,405.00	
Investment in Bazel International Limited	36,33,650.00		
Investment in Jainsons Rugs	29,05,755.00		
CURRENT ASSETS		3,64,19,838.45	
Loans & Advances (Asset)	3,23,14,516.00		
Cash-in-hand	9,32,845.45		
Bank Accounts	12,74,687.00		
DD- VA Realcon Pvt Ltd	17,50,000.00		
TDS Receivable- F.Y. 2021-22	1,47,790.00		
TOTAL LIABILITIES			1,47,21,474.00
LOANS		1,46,60,384.00	
BFL Asset Finvest Limited	1,51,76,734.00		
Veneet Capital Services	(5,16,350.00)		
NON - FINANCIAL LIABILITIES		61,090.00	
Duties & Taxes	(1,28,208.00)		
Provisions	84,900.00		
Sundry Creditors	(83,686.00)		
Provision for Income Tax	96,400.00		
Salary Payable A/c	91,684.00		
BOOK VALUE OF THE COMPANY			2,82,46,191
TOTAL NUMBERS OF SHARES			28,02,534
VALUE PER SHARE			10.08
VALUE PER SHARE (ROUNDED OFF)			10.00

Note

- 1) Assets are valued at Book Value based on Unaudited Balance Sheet as on 31st December, 2022.
- 2) Liabilities are valued at Book Value based on Unaudited Balance Sheet as on 31st December, 2022.
- 3) Investments are valued at Book Value based on Unaudited Balance Sheet as on 31st December, 2022.

DURGESH MERCHANTS LIMITED

CIN: L65923DL1984PLC248322

Regd. Office : D-328, Basement Floor, Defence Colony, New Delhi- 110024

Ph. : 011-68888824

Email ID : durgeshmerchants@gmail.comWebsite : www.durgeshmerchantsltd.com**Annexure- B****FORM NO PAS – 4****PART-A****PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER**

[Pursuant to section 42 of Companies Act, 2013 and rule 14(3) of Companies (Prospectus and Allotment of Securities) Rules, 2014]

The Private Placement Offer cum Application Letter shall contain the following:**1. GENERAL INFORMATION**

SR.	PARTICULARS			
1.	GENERAL INFORMATION			
a.	Name of the Company	DURGESH MERCHANTS LIMITED		
b.	Corporate Identification No. (CIN)	L65923DL1984PLC248322		
c.	Address of Registered Office and Corporate Office of the Company	D-328, Basement Floor, Defence Colony, New Delhi-110024		
d.	Website/ Email-Id of the Company	www.durgeshmerchantsltd.com durgeshmerchants@gmail.com		
e.	Contact details of the Company	011-68888824		
f.	Date of incorporation of the Company	27/12/1984		
g.	Business carried on by the company and its subsidiaries with the details of branches or units, if any	<p>The Company is engaged in the businesss of Non-Banking Financial Companies and granting loans to the Individuals and Corporates and such other ancillary and incidental work to attainment of the above objects or such other businesses.</p> <p>The Company does not have any Subsidiary.</p> <p>The Company does not have any Branches.</p>		
h.	Brief Particulars of the Management of the Company			
Name		Designation	Experience	
Kamall Ahuja		Director	More than 20 years of experience in the field of legal consultancy.	
Poonam Ahuja		Director	More than 20 years of experience in the field of due diligence, compliance management, take-over/acquisition, listing and de-listing of companies.	
Rohit Ahuja		Managing Director	Having a rich experience in financial and marketing sector	
Rishabh Bansal		Independent Director	Having sound knowledge of Listed, Secretarial and NBFC Compliances.	
Suranjan Upadhyay		Independent Director	Having a rich experience in financial analysis and financial modeling.	
Aanchal Bhardwaj		Director & CFO (KMP)	Having rich knowledge in the field of handling manpower and management concerns.	
i.	Names, addresses, DIN and occupations of the Directors;			
Sr.	Name	Address	DIN	Occupation
1.	Kamall Ahuja	A-5, 2 nd Floor, Gurudwara Marg, Defence Colony, New Delhi-110024	00005195	Business

Regd. Office : D-328, Basement Floor, Defence Colony, New Delhi- 110024

Ph. : 011-68888824

Email ID : durgeshmerchants@gmail.com

Website : www.durgeshmerchantsltd.com

DURGESH MERCHANTS LIMITED

CIN: L65923DL1984PLC248322

2.	Poonam Ahuja	A-5, 2 nd Floor, Gurudwara Marg, Defence Colony, New Delhi-110024	05351468	Business	
3.	Rohit Ahuja	L-385, Ground Floor, Gali No. 8, Rishi Nagar, Shakoovasti, Saraswati Vihar, New Delhi- 110034	07859817	Business	
4.	Rishabh Bansal	1612, Gali No.53/2, 1 st 60 Feet Road, Molar Band Extn., Badarpur Border, New Delhi-110044	09621318	Service	
5.	Suranjan Upadhyay	A-208, Mangal Apartments, Vasundhra Enclave, New Delhi-110096	05287812	Service	
6.	Aanchal Bhardwaj	1/26 Jangpura Extn, Jangpura, New Delhi- 110014	09724233	Service	
j.	MANAGEMENT'S PERCEPTION OF RISK FACTORS Changing laws, rules, regulation and legal uncertainties, including adverse application of tax laws and regulations, may adversely affect the business and financial performance of the company.				
k.	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of -				
	Types of Default		Amount Involved	Duration of Default	Present Status
i.	Statutory dues		Nil	Nil	Nil
ii.	Debentures and Interest thereon		Nil	Nil	Nil
iii.	Deposits and Interest thereon		Nil	Nil	Nil
iv.	Loan from any bank or financial institution and interest thereon.		Nil	Nil	Nil
l.	Details of Compliance Officer:				
	Name		Ms. Aastha Vij		
	Designation		Company Secretary & Compliance Officer		
	Address		22/36A, Tilak Nagar, New Delhi- 110018		
	Contact No.		9811159764		
	Email id		aasthavij45@gmail.com		
m.	Any Default in Annual Filing of the Company under the Companies Act, 2013 or the rules made thereunder		No. There is no default in Annual filing of the Company under the Companies Act, 2013 or the rules made thereunder. The Balance Sheet and Annual Returns have been filed up to 31 st March, 2022.		
2.	PARTICULARS OF THE OFFER:-				
a.	*Financial Position of the Company for the last 3 financial years;		(Value in actual figures)		
Particulars			31.03.2022	31.03.2021	31.03.2020
Total Revenue			2,260,600.00	1,675,328.00	12,86,454.00
Total Expenses			1,924,005.51	1,345,983.05	15,31,951.00
Profit Before Tax			336,594.49	329,344.95	(2,42,497.00)
Tax			(99,166.00)	(85,161.00)	(58,345.00)
Profit after tax			237,428.49	244,183.95	(3,00,842.00)
			*Elaborated statement of Profit and Loss is provided on Page 09 of the offer cum application letter.		

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		**Extract of pages of Balance Sheet, Profit and Loss Account and Cash flow for last three years are attached as an "Annexure I"
b.	Date of passing Board resolution;	01 st February, 2023
c.	Date of passing resolution in general meeting;	08 th March, 2023
d.	Kind, class and price of security offered;	Issue and allot upto 81,97,466 (Eighty One Lakhs Ninety Seven Thousand Four Hundred Sixty Six) Equity Shares of Rs. 10/- each fully paid-up on Preferential Allotment basis to the Promoter and Non-Promoter for cash.
e.	Price at which the security is being offered including the premium, if any, alongwith justification of the price;	<p>Rs. 10/ per share</p> <p>The Company is placed on the dissemination board of the National Stock Exchange of India (NSE) and the equity shares of the Company are infrequently traded in terms of the Regulation 165 of SEBI ICDR Regulations. Therefore the price has been determined by the Independent Registered Valuer and has take into account the valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of the company. The price determined by the Independent Registered Valuer is Rs. 10/- which is in accordance with the provisions of the Regulation 165 and 166A of SEBI ICDR Regulations.</p>
f.	Name and address of the Valuer who performed valuation of the security offered and basis on which the price has been arrived at along with the report of the registered valuer;	<p>The Valuation was performed by Mr. Hemang Harshadbhai Shah, a Registered Valuer (Reg. No. IBBI/RV/03/2020/12854) having its office at Co-Venture Hub, 314-316, 3rd Floor, Kalp Business Hub, Above SBI Bank, Bahucharaji Road, Karelibaugh, Vadodara-390018.</p> <p>The price has been determined by the Independent Registered Valuer and has take into account the valuation parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of shares of the company.</p>
g.	Relevant date with reference to which the price has been arrived at;	06 th February, 2023
h.	The class or classes of persons to whom the allotment is proposed to be made:	The Preferential Issue of Equity Shares is proposed to be made to Mr. Kamall Ahuja, Promoter and Director of the Company and M/s Satyam Projects Ltd, a Non Banking Financial Company (NBFC) incorporated under provisions of Companies Act, 1956 and it is under Non-Promoter category.
i.	Intention of promoters, directors or Key managerial personnel to subscribe to the offer	The Equity Shares shall be offered to Mr. Kamall Ahuja, Promoter of the Company and Director of the Company. Mr. Kamall Ahuja (Promoter and Director of the Company) has indicated his intention to subscribe to the Equity Shares of the Company issued on a preferential basis. Except for the subscribers, none of the Directors or the Key Managerial Personnel of the Company intends to subscribe to any of the Equity Shares proposed to be issued under the preferential allotment.
j.	The proposed time within	As required under the SEBI ICDR Regulations, the Equity

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	which the allotment shall be completed	Shares shall be allotted by the Company within a maximum period of 15 days from the date of passing of the Special Resolution by the Members. For issue and allotment of the Equity Shares where the allotment of the proposed Equity Shares is pending on account of receipt of any approval or permission from any regulatory or statutory authority, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approvals or permissions.																			
k.	The names of the proposed Allottees and the percentage of post private placement capital that may be held by Proposed Allottee.	<table><tr><th>S. No.</th><th>Name of Proposed Allottees</th><th>No. of Equity Shares proposed to be allotted</th><th>Post-Issue Holding</th><th>% on Post-Issue Paid-Up Capital</th></tr><tr><td>1</td><td>Kamall Ahuja</td><td>74,94,566</td><td>81,95,200</td><td>74.50</td></tr><tr><td>2</td><td>Satyam Projects Ltd</td><td>7,02,900</td><td>7,02,900</td><td>6.39</td></tr></table>					S. No.	Name of Proposed Allottees	No. of Equity Shares proposed to be allotted	Post-Issue Holding	% on Post-Issue Paid-Up Capital	1	Kamall Ahuja	74,94,566	81,95,200	74.50	2	Satyam Projects Ltd	7,02,900	7,02,900	6.39
S. No.	Name of Proposed Allottees	No. of Equity Shares proposed to be allotted	Post-Issue Holding	% on Post-Issue Paid-Up Capital																	
1	Kamall Ahuja	74,94,566	81,95,200	74.50																	
2	Satyam Projects Ltd	7,02,900	7,02,900	6.39																	
l.	The change in control, if any, in the company that would occur consequent to the preferential offer	The proposed allotment on preferential basis, will result in change in control of the Company as per the provisions of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended. However, Pursuant to circular no. SEBI/HO/MRD/DSA/CIR/P/2016/110 dated 10 th October, 2016 has provided that in order to raise capital to facilitate listing on Nationwide Stock Exchange the process of raising capital through preferential allotment, if the allotment is made to promoters/public such that it is in excess of the threshold limits(5% or 25%)of the SEBI (Substantial Acquisition of Shares and Takeovers Regulations), 2011 (SAST), the provisions of SAST Regulation shall not be applicable for the proposed acquisition subject to the overall holding of the promoter group not exceeding 75% of the paid up capital of the company.																			
m.	The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price	During the year, no preferential allotment of any securities has been made to any person.																			
n.	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not Applicable																			
o.	Amount which the company intends to raise by way of securities	The Company intends to raise Rs. 8,19,74,660/- (Rupees Eight Crores Nineteen Lakhs Seventy Four Thousand Six Hundred and Sixty Only) for a consideration in cash.																			
p.	Terms of raising of securities: Duration, if applicable, rate of dividend or rate of interest, mode of payment and repayment	The Equity shares to be issued on a preferential basis shall rank pari passu in all respects including dividend entitlement with the existing equity shares in the Company.																			
q.	Proposed time schedule for	The Private Placement Offer cum Application Letter is valid																			

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	which the private placement offer cum application letter is valid	for 15 days from the date of passing of the Special Resolution by the Members for issue and allotment of the Equity Shares where the allotment of the proposed Equity Shares is pending on account of receipt of any approval or permission from any regulatory or statutory authority, the validity of 15 days shall start from the date of receipt of last of such approvals or permissions.
r.	Purposes and objects of the offer	<p>Pursuant to circular no. SEBI/HO/MRD/DSA/CIR/P/2016/110 dated 10th October, 2016 and the letter of intent issued by the Company to the NSE on 24th July, 2019 and further communication to the NSE via e-mail on 26th December, 2022, the Company decided to opt for raising further capital for meeting the listing requirement of National Stock Exchange of India (NSE). Thus the Board has proposed to issue upto 81,97,466 (Eighty One Lakhs Ninety Seven Thousand Four Hundred Sixty Six) Equity Shares of Rs. 10/- (Rupees Ten) each on preferential basis aggregating upto Rs. 8,19,74,660/- (Rupees Eight Crores Nineteen Lakhs Seventy Four Thousand Six Hundred and Sixty Only)</p> <p>The proceeds for the preferential allotment shall be used to fund the Company's growth capital requirements, capital expenditure and maintenance of adequate liquidity for the future requirements and other general corporate purposes of the Company in line with the growth strategy of the Company and therefore, will strengthen the long term financial position of the Company.</p>
s.	Contribution being made by the promoters or directors either as part of the offer or separately infurtherance of such objects	Rs. 7,49,45,660/-
t.	Principle terms of assets charged as security, if applicable	As the proposed allotment is in cash, hence no charge is being created on any of the assets of the Company
u.	The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the company and its future operations.	Not Applicable

v. The pre issue and post issue shareholding pattern of the company in the following format-

S. No.	Category	Pre Issue		Post Issue	
		No. of shares held	% of share holding	No. of shares held	% of share holding
A	Promoters' Holding:				
1	Indian				
	Individual	7,00,634	25.00	81,95,200	74.50

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	Bodies Corporate	-	-	-	-
	Sub Total	7,00,634	25.00	81,95,200	74.50
2	Foreign Promoters	-	-	-	-
	Sub Total (A)	7,00,634	25.00	81,95,200	74.50
B	Non-Promoters' Holding				
1	Institutional Investors	-	-	-	-
2	Non- Institutional Investors				
	Private Corporate Bodies	-	-	-	-
	Directors and Relatives	-	-	-	-
	Indian Public	15,13,900	54.02	15,13,900	13.77
	Others (Including NRIs)	5,88,000	20.98	12,90,900	11.73
	Sub Total (B)	21,01,900	75.00	28,04,800	25.50
	GRAND TOTAL	28,02,534	100.00	1,10,00,000	100.00

3.	MODE OF PAYMENT FOR SUBSCRIPTION	The payment to be made for subscription to securities shall be made from the bank account of the person subscribing to such securities. Thus, the payment for the subscription of Equity Shares shall be made through NEFT / cheque / other mode of banking in favor of "Durgesh Merchants Limited". Cash transaction is not permitted.
4.	DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC.	
i.	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons;	Mr. Kamall Ahuja, the Director and Promoter of the Company and M/s Satyam Projects Ltd, the proposed allottees, intend to subscribe to the Equity Shares of the Company issued on a preferential basis. Except for the subscribers none of the Directors or the Key Managerial Personnel showed any interest to subscribe to securities in the proposed issue. Further, no financial or other material interest of the Directors, Promoters or Key Managerial Personnel is involved in the said offer.
ii.	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a Statutory Authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed;	N.A.
iii.	Remuneration of directors (during the current year and last three financial years);	The Company has not paid any remuneration to any of its Directors during the current year and last three financial years.
iv.	Related party transactions entered	The Company has not entered into any Related

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	during the last three financial years immediately the year of circulation of offer letter including with regard to loans made or, guarantees or securities provided	Party Transactions during the last three financial years immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees or securities provided.		
v.	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark;	In the last five financial years immediately preceding the year of circulation of offer letter the Statutory Auditor of the Company has not given any reservations, qualifications or adverse remarks in their Auditors Report.		
vi.	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last three years immediately preceding the year of issue of private placement offer cum application letter in the case of company and all of its subsidiaries, and if there were any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of the private placement offer cum application letter and if so, section-wise details thereof for the company and all of its subsidiaries;	N.A.		
vii.	Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company;	N.A.		
5.	FINANCIAL POSITION OF THE COMPANY			
(a)	The Capital Structure of the company in the following manner in a tabular form.			
(i)(A)	Type of Capital	Description	No. of Securities	Aggregate Nominal Value
	Authorised Capital	Equity Shares	10000000	Rs. 100000000/-
	Issued Capital	Equity Shares	2802534	Rs. 28025340/-
	Subscribed Capital	Equity Shares	2802534	Rs. 28025340/-
	Paid-up capital	Equity Shares	2802534	Rs. 28025340/-
(B)	Size of the present offer;	Issue and Allot up to 81,97,466 (Eighty One Lakhs Ninety Seven Thousand Four Hundred Sixty Six) Equity Shares of Rs. 10/- (Rupees Ten) each fully paid-up on preferential allotment basis for cash.		
(C)	Paid-up capital:-			
	After the offer (After allotment of	Rs. 11,00,00,000/- divided into 1,10,00,000		

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	Equity shares)	Equity Shares of Rs. 10/- each.		
(D)	Share premium account (before the offer)	Rs. 0.00/-		
	Share premium account (after issue of Shares and Conversion of all Warrants)	Rs. 0.00/-		
(ii)	The details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration: Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the offer letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case;	N.A.		
(b)	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of offer letter;			
	Profits	March 31, 2022	March 31, 2021	March 31, 2020
	Profit before tax	3,36,594	3,29,344	(242,497)
	Profit after tax	(1,23,447)	(27,402)	(300,842)
(c)	Dividends declared by the company in respect of the said three Financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid):	Nil		
(d)	A summary of the financial position of the company as in the three audited Balance Sheets immediately preceding the date of circulation of offer letter;	As per Annexure- I		
(e)	Audited Cash Flow Statement for the three years immediately preceding the date of circulation of offer letter;	As per Annexure- I		
(f)	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.	There has been no change in the accounting policies during the last three years and therefore the profits and the reserves of the company remain unchanged.		

Annexure- I

A summary of the financial position of the company as in the three audited Balance Sheets immediately preceding the date of circulation of offer letter;

Particulars	31 st March, 2022	31 st march, 2021	31 st March, 2020
Assets			
Financial Assets			
a) Cash and cash equivalent	764,123.15	171,759.66	16,69,970.71
b) Loans and Advances	33,947,771.00	22,505,509.00	1,99,45,380.00
c) Investments	10,015,329.00	30,149,603.00	66,59,925.00
d) Other financial assets	0.00	262,000.00	5,94,352.00
Total Financial Assets	44,727,223.15	53,088,871.66	2,88,69,627.71
Non Financial Assets			
a) Current tax assets	51,390.00	15,541.00	1,14,296.00
b) Property, plant and equipment	7,272.00	8,918.00	10,564.00
c) Other intangible assets	1,150.00	2,645.00	9,430.00
d) Other non Financial Assets	122,354.00	97,631.00	77,708.00
Total Non Financial Assets	182,166.00	124,735.00	2,11,998.00
Total assets	44,909,389.15	53,213,606.66	2,90,81,625.71
Liabilities and Equity			
Liabilities			
Financial liabilities			
a) Trade payables	222,851.00	251,773.00	1,31,072.00
b) Borrowings	15,653,010.00	4,059,835.00	25,18,904.00
Total Financial liabilities	15,875,861.00	4,311,608.00	26,49,976.00
Non Financial liabilities			
a) Current tax liability	0.00	0.00	0.00
b) Provisions	84,900.00	56,300.00	50,000.00
c) Other Non Financial liabilities	23,802.00	24,027.00	23,350.00
Total Non-Financial liabilities	108,702.00	80,327.00	73,350.00
Equity			
a) Equity share capital	28,025,340.00	28,025,340.00	2,67,00,000.00
b) Other equity	899,486.15	20,796,331.66	(3,41,700.29)
Total equity	28,924,826.15	48,821,671.66	2,63,58,299.71
Total Liabilities and Equity	44,909,389.15	53,213,606.66	2,90,81,625.71

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Particulars	31 st March, 2022	31 st march, 2021	31 st March, 2020
<u>Revenue from operations</u>			
Interest Income	2,260,600.00	1,675,328.00	12,89,454.00
Total income	2,260,600.00	1,675,328.00	12,86,454.00
<u>Expenses</u>			
Finance costs	607,982.00	319,028.00	21,004.00
Employee Benefits Expenses	915,271.00	556,800.00	3,79,357.00
Depreciation and amortization expense	3,141.00	8,431.00	8,431.00
Other expenses	397,611.51	461,724.05	11,23,159.00
Total expense	1,924,005.51	1,345,983.05	15,31,951.00
Profit before tax	336,594.49	329,344.95	(2,42,497.00)
Tax expenses:			
<u>Current tax</u>			
Current year	(96,400.00)	(85,200.00)	(11,200.00)
Earlier year	(2,766.00)	39.00	0.00
MAT Credit Entitlement	0.00	0.00	(47,145.00)
Profit for the year	237,428.49	244,183.95	(3,00,842.00)
Other Comprehensive Income			
Fair Valuation of Investments	(20,134,274.00)	1,197,998.00	0.00
Total Comprehensive Income	(19,896,845.51)	1,442,181.95	(3,00,842.00)
Earning per share (Basic / Diluted) (Rs.)	0.08	0.09	(0.11)

Audited Cash Flow Statement for the three years immediately preceding the date of circulation of offer letter;

Particulars	31 st March, 2022	31 st March, 2021	31 st March, 2020
A. <u>Cash flow from operating activities</u>			
Net Profit before tax and extra ordinary items	336,594.49	329,344.95	(2,42,497.00)
<u>Adjustment for :</u>			
Contingent Provisions against Standard Assets	28,600.00	6,300.00	1,600.00
Depreciation	3,141.00	8,431.00	8,431.00
Operating Profit before Working Capital Facilities	368,335.49	344,075.95	(2,32,466.00)
Adjustment for :			
(Increase) / Decrease in loans	(11,442,262.00)	(2,560,129.00)	0.00
(Increase) / Decrease in other Financial Assets	262,000.00	332,352.00	0.00
(Increase) / Decrease in non financial assets	(24,723.00)	(19,923.00)	(4,70,999.00)
Increase / (Decrease) in trade payable	(28,922.00)	120,701.00	20,99,078.97
Increase / (Decrease) in non financial liabilities	(225.00)	677.00	0.00
Cash generated from operation	(10,865,796.51)	(1,782,246.05)	13,95,613.97
Tax paid	(135,015.00)	13,594.00	2,03,932.00
Net Cash Flow from operating activities	(11,000,811.51)	(1,768,652.05)	15,99,545.97
B. <u>Cash flow from investing activities</u>			
Purchase of fixed assets	0.00	0.00	0.00
Purchase of investment	0.00	(2,595,830.00)	0.00
Net Cash used in investing activities	0.00	(2,595,830.00)	0.00
C. <u>Cash flow from financing activities</u>			
Proceed from issue of share capital	0.00	1,325,340.00	0.00
Proceeds from Borrowings	11,593,175.00	1,540,931.00	0.00
Net Cash Flow from financing activities	11,593,175.00	2,866,271.00	0.00
Net increase/(decrease) in cash & cash equivalents	592,363.49	(1,498,211.05)	15,99,545.97
Cash & cash equivalent opening	171,759.66	1,669,970.71	70,424.74
Cash & cash equivalent closing	764,123.15	171,759.66	16,69,970.71

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PART-B

(To be filled by the Applicant)

S. No.	Particulars	
1)	Name	
2)	Father's Name	
3)	Complete Address including Flat/ House Number, Street, Locality, PIN Code	
4)	Phone Number, if any	
5)	Email ID, if any	
6)	PAN Number	
7)	Bank Account Details	

Signature/ Authorised Signatory
(Name of the Applicant/ Investor)
Designation:

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6. A DECLARATION BY THE DIRECTORS THAT

- (a) The Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;
- (b) The compliance with the Companies Act, 2013 and the rules thereunder does not imply that payment of dividend or interest or the repayment of debentures, if applicable, is guaranteed by the Central Government;
- (c) The monies received under this Offer shall be used only for the purposes and objects indicated in the private placement offer cum application letter;

I am authorized by the Board of Directors of the Company vide Resolution Number 07 dated 01st February, 2023 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made there under in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

FOR DURGESH MERCHANTS LIMITED

Date: _____
Place: New Delhi

Sd/-
Aastha Vij
(Company Secretary and Compliance Officer)