

**Regd. Office** : D-251, Ground Floor, Defence  
Colony, New Delhi- 110024

**Ph.** : 011-68888824

**Email ID** : [durgeshmerchants@gmail.com](mailto:durgeshmerchants@gmail.com)

**Website** : [www.durgeshmerchantsltd.com](http://www.durgeshmerchantsltd.com)

# **DURGESH MERCHANTS LIMITED**

**CIN: L65923DL1984PLC248322**

**29<sup>th</sup> May, 2025**

**To,**  
**The Executive Director,**  
**The Calcutta Stock Exchange Limited,**  
**7, Lyons Range, Dalhousie,**  
**Kolkata, West Bengal -700 001**  
**(Scrip Code: 100143)**

**ISIN: INE616Q01011**

**Subject: Outcome of the Board Meeting held on 29<sup>th</sup> May, 2025**

Dear Sir(s)/Ma'am,

Pursuant to Regulation 30 and applicable provisions of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements), Regulation, 2015, as amended ("Listing Regulations"), we wish to inform you that the Board of Directors ("Board") of Durgesh Merchants Limited ("**the Company**"), at their meeting held on 29<sup>th</sup> May, 2025 at 05:00 P.M., inter alia:

1. Approved and take on record, the Audited Financial Results along with the Audit Report of the Company for the quarter and financial year ended 31<sup>st</sup> March, 2025.
2. Approved issuance and allotment of Equity Shares in pursuance to the Resolution Plan as approved by the Hon'ble NCLT, Delhi Bench via order pronounced on 30.01.2024 under Section 31 of the Insolvency and Bankruptcy Code, 2016, as amended.
3. In compliance with regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CIR/CFD/CMD/56/2016 dated 27<sup>th</sup> May, 2016, we declare that the report of Statutory Auditor is with unmodified opinion with respect to the Audited Financial Results of the Company for the Quarter and Financial Year ended 31<sup>st</sup> March, 2024.

The said Board Meeting was commenced at 05:00 P.M. and concluded at 06:45 P.M.

Kindly take the same on your records.

Thanking You,

Yours Faithfully,

*For and on behalf of*

**Durgesh Merchants Limited**

**Rohit Ahuja**

**(Managing Director)**

**DIN: 07859817**

**Address: D-251, Ground Floor, Defence  
Colony, New Delhi – 110024**

**Encl:**

1. Audited Financial Results for the quarter and financial year ended 31<sup>st</sup> March, 2025.
2. Statement of Asset and Liabilities as on 31<sup>st</sup> March, 2025.
3. Cash Flow Statement for the period ended 31<sup>st</sup> March, 2025.
4. Auditors' Report for the quarter and financial year ended 31<sup>st</sup> March, 2025.
5. Integrated Filing (Financial) for the period ended 31<sup>st</sup> March, 2025.
6. NCLT order for approved Resolution Plan.



**Independent Auditor's Report on the financial results for the Quarter and Year ended March, 2025 of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

To,  
**Durgesh Merchants Limited**  
D-251, Ground Floor,  
Defence Colony,  
New Delhi-110024

We have audited the financial results for the quarter and year ended March, 2025 ("the Statement") of **Durgesh Merchants Limited**, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the statement:

- i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and
- ii. gives a true and fair view in conformity with the applicable Indian Accounting Standards ("Ind AS") specified u/s 133 of the Companies Act, 2013 ("the act"), read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the company for the quarter and year ended March, 2025.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SA"s) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Results for the quarter and year ended March 31, 2025 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.





### **Emphasis of Matter**

*The company has acquired VA Realcon Private Limited through Hon'ble IBC. The company opted for amalgamation of the said company with this company. Due to pending matters with Insolvency Resolution Professional (IRP) information and relevant papers have not been received and hence amalgamation process has not been undergone during the year under audit.*

### **Management's Responsibilities for the Financial Results**

This Statement, which includes the results is the responsibility of the Company's Board of Directors, and has been approved by them for the issuance. This responsibility includes preparation and presentation of the Financial Results for the quarter and year ended March 31, 2025 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind AS, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Financial Results, the Board of Directors is responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the financial reporting process of the Company.

### **Auditor's Responsibilities for the Audit of the Financial Results**

Our objectives are to obtain reasonable assurance about whether the Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will





always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Results, including the disclosures, and whether the Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.





**Krishan Rakesh & Co.**  
CHARTERED ACCOUNTANTS

PHONE : 011-40159075

143, KOHAT ENCLAVE  
2ND FLOOR, PITAMPURA  
DELHI - 110034

- Obtain sufficient appropriate audit evidence regarding the Financial Results of the Company to express an opinion on the Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Other Matters**

The statement includes the financial results for the quarter ended 31<sup>st</sup> March, 2025, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures upto the 3<sup>rd</sup> Quarter of the current financial year, which were subject to limited review by us.

The statement includes figures for the corresponding quarter ended 31<sup>st</sup> March, 2024, being the balancing figures between the audited figures in respect of the full financial year ended 31<sup>st</sup> March, 2024 and the published unaudited year to date figures upto the 3<sup>rd</sup> Quarter of the previous financial year, which were subject to limited review by us.

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

**PLACE : DELHI  
DATED : 29-05-2025  
UDIN : 25087891BMIDYQ4544**



  
**K.K. GUPTA  
(PARTNER)  
M.No. 87891**

## Annexure-1

<b>Name of the Company</b>	<b>DURGESH MERCHANTS LIMITED</b>				
<b>Registered Office</b>	<b>D-251, GROUND FLOOR, DEFENCE COLONY, NEW DELHI- 110024</b>				
<b>CIN:</b>	<b>L65923DL1984PLC248322</b>				
<b>E-mail Id:</b>	<a href="mailto:durgeshmerchants@gmail.com">durgeshmerchants@gmail.com</a>				
<b>Website:</b>	<a href="http://www.durgeshmerchantsltd.com">www.durgeshmerchantsltd.com</a>				
<b>Contact no:</b>	<b>011-68888824</b>				
<b>Statement of Standalone Audited Financial Results for the Quarter and financial Year ended 31st March, 2025</b>					
	<b>(Rs. In Lakh)</b>				
Particulars	Quarter Ended (Audited)	Quarter Ended (Un-audited)	Quarter Ended (Audited)	Year Ended (Audited)	Year ended (Audited)
	(31/03/2025)	(31/12/2024)	(31/03/2024)	(31/03/2025)	(31/03/2024)
<b>I. Revenue from Operations</b>					
<b>Revenue from Operations</b>					
(i) Interest Income	8.01	13.00	35.31	45.66	35.36
(ii) Dividend Income					
(iii) Rental Income					
(iv) Fees and commission Income	60.00		12.19	60.00	121.95
(v) Net gain on fair value changes					
(vi) Net gain on derecognition of financial instruments under amortised cost category					
(vii) Sale of products (including Excise Duty)					
(viii) Sale of services					
(ix) Other Revenue from operations					
Other Income	1.55			1.55	
<b>Total Income</b>	<b>69.56</b>	<b>13.00</b>	<b>47.50</b>	<b>107.21</b>	<b>157.31</b>
<b>II. Expenses</b>					
(i) Cost of material consumed					
(ii) Purchases of Stock in Trade					
(iii) Changes in inventories of finished goods, work in progress and stock in trade					
(iv) Employee Benefits Expense	5.83	3.22	9.74	21.45	26.85
(v) Finance Cost	7.90	10.60	4.05	32.09	14.23
(vi) Depreciation, depletion and amortisation expense			0.01		0.01
(vii) Fees and commission expense					
(viii) Net loss on fair value changes					
(ix) Loss Due To Fair Valuation Of Equity Instruments					
(x) Net loss on derecognition of financial instruments under amortised cost category					
(xi) Impairment on financial instruments					
(xii) Other Expenses	2.37	1.34	18.22	5.79	24.81
(xiii) Bad Debts W / off					
(xiv) Provision For Doubtful Debts					
<b>Total Expenses</b>	<b>16.10</b>	<b>15.16</b>	<b>32.02</b>	<b>59.33</b>	<b>65.90</b>
<b>III. Profit/(Loss) before exceptional items and tax (I-II)</b>	<b>53.46</b>	<b>(2.16)</b>	<b>15.68</b>	<b>47.88</b>	<b>91.41</b>
<b>IV. Exceptional items</b>					
<b>V. Profit/(Loss) before Tax (III-IV)</b>	<b>53.46</b>	<b>(2.16)</b>	<b>15.68</b>	<b>47.88</b>	<b>91.41</b>
<b>VI. Tax Expense:</b>					
(i) Current Tax	23.34	0	9.71	23.34	(23.03)
(ii) Deferred Tax (Net)					2.38
(iii) Provision for taxation					<b>(0.44)</b>
<b>VII. Profit/(Loss) for the period (V-VI)</b>	<b>30.12</b>	<b>24.54</b>	<b>5.97</b>	<b>24.54</b>	<b>70.32</b>
<b>VIII. Other Comprehensive Income</b>					
<b>A. Items that will not be reclassified to profit or loss</b>					
(i) Reimbursement Gain / (Loss) of the Defined Benefit Plan					
(ii) Net Gain on equity Instrument Designated at FVOCI for the year	104.79		16.97	104.79	13.10
(iii) Income tax relating to items that will not be reclassified to profit or loss					(2.42)
<b>B. Items that will be reclassified to profit or loss.</b>					

<b>Total other Comprehensive income (A+B)</b>	<b>104.79</b>		<b>16.97</b>	<b>104.79</b>	<b>10.68</b>
<b>IX. Total Comprehensive income (VII+VIII)</b>	<b>134.91</b>	<b>24.54</b>	<b>22.94</b>	<b>129.33</b>	<b>81.00</b>
<b>A. Total profit/ loss attributable to:</b>					
Equity Shareholders of the parent					
Non-Controlling Interest					
<b>B. Total Comprehensive Income/ Loss attributable to:</b>					
Equity Shareholders of the parent					
Non-Controlling Interest					
<b>X. Paid-up Equity Share Capital Equity Shares of (Face Value Rs. 10/-)</b>	<b>496.63</b>	<b>280.25</b>	<b>280.25</b>	<b>496.63</b>	<b>280.25</b>
<b>XI. Reserves as at 31st March</b>	<b>406.05</b>		<b>112.91</b>	<b>406.05</b>	<b>112.91</b>
<b>XII. Earnings Per Share (EPS) on Face Value Rs. 10/-</b>					
(a) Basic	<b>0.61</b>	<b>0.88</b>	<b>0.21</b>	<b>0.50</b>	<b>2.51</b>
(b) Diluted	<b>0.61</b>	<b>0.88</b>	<b>0.21</b>	<b>0.50</b>	<b>2.51</b>

**Notes:**

- 1- These financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under.
- 2-The above results were reviewed by the Audit Committee and approved by Board of Directors in their meeting held on 29.05.2025
- 3- The Statutory Audit of Audited Financials Results for the Quarter and Year Ended 31st March 2025 as required in terms of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 has been carried out by Statutory Auditors.
- 4- Previous year/ period figures have been regrouped/ rearranged wherever necessary to make the comparable with current period figures.
- 5- The Company has only one reporting segment i.e Financial Services (Including NBFC) and Indian Accounting Standards are applicable to the Company.

Date: 29.05.2025  
Place: New Delhi

**On behalf of Board**  
**For Durgesh Merchants Limited**

**Rohit Ahuja**  
**(Managing Director)**  
**DIN: 07859817**

<b>DURGESH MERCHANTS LIMITED</b>		
REGD. OFFICE: D-251, GROUND FLOOR, DEFENCE COLONY, NEW DELHI- 110024		
CIN: L65923DL1984PLC248322		
Email: durgeshmerchants@gmail.com		
Website: https://www.durgeshmerchantsltd.com/		
Contact no.: 011-68888824		
<b>Audited Statement of Assets and Liabilities as at 31st March, 2025</b>		
Particulars	As at 31/03/2025	As at 31/03/2024
<b>(Rs. In Lakh)</b>		
<b>A. ASSETS</b>		
<b>1. Financial Asset</b>		
Cash and cash equivalents	32.58	20.42
Bank Balance other than (a) above	67.42	75.12
Derivative financial instruments		
Receivables		
(I) Trade Receivables		
(II) Other Receivables		
Loans	556.79	423.79
Investments	357.70	106.21
Other Financial assets	182.41	30.48
<b>2. Non Financial Asset</b>		
Inventories		
Current tax assets (Net)	0.19	0.00
Deferred tax Assets (Net)		
Investment Property		
Biological assets other than bearer plants		
Property, Plant and Equipment	0.05	0.05
Capital work-in-progress		
Intangible assets under development		
Goodwill		
Other Intangible assets	0.01	0.01
Other non-financial assets (to be specified)	0.20	
<b>Total assets</b>	<b>1197.35</b>	<b>656.08</b>
<b>Equity and liabilities</b>		
<b>1. Equity</b>		
<b>Equity attributable to owners of parent</b>		
Equity share capital	496.63	280.25
Other equity	406.05	112.91
<b>Total equity attributable to owners of parent</b>		
Non controlling interest		
<b>Total equity</b>	<b>902.68</b>	<b>393.16</b>
<b>2. Liabilities</b>		
<b>2.1 Financial Liabilities</b>		
(a) Derivative financial instruments		
(b) Payables		
(i) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises		
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		
II) Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises		
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		
(c) Debt Securities		
(d) Borrowings (Other than Debt Securities)	143.47	224.33
(e) Deposits		
(f) Subordinated Liabilities		
(g) Other financial liabilities	4.80	3.43
<b>2.2 Non-Financial Liabilities</b>		
Current tax liabilities (Net)	25.14	9.67
Provisions	20.92	20.59
Deferred tax liabilities (Net)		
Other non-financial liabilities	100.34	4.90
<b>Total liabilities</b>	<b>294.67</b>	<b>262.92</b>
<b>Total equity and liabilities</b>	<b>1197.35</b>	<b>656.08</b>
<p>1- These financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under.</p> <p>2-The above results were reviewed by the Audit Committee and approved by Board of Directors in their meeting held on 29.05.2025.</p> <p>3-The Statutory Audit of Audited Financials Results for the Quarter and Year Ended 31st March 2025 as required in terms of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 has been carried out by Statutory Auditors.</p> <p>4-Previous year/ period figures have been regrouped/ rearranged wherever necessary to make the comparable with current period figures.</p> <p>5- Indian Accounting Standards are applicable on the Company.</p>		
<p>Date: 29.05.2025 Place: New Delhi</p>		<p>On Behalf of the Board <b>For Durgesh Merchants Limited</b></p> <p><b>Rohit Ahuja</b> <b>(Managing Director)</b> <b>DIN: 07859817</b></p>

<b>DURGESH MERCHANTS LIMITED</b>		
<b>REGD. OFFICE.: D-251, GROUND FLOOR, DEFENCE COLONY, NEW DELHI- 110024</b>		
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<b>Contact no.: 011-68888824</b>		
<b>Cash Flow Statement for the financial year ended 31st March, 2025</b>		
<b>Particulars</b>	<b>As at 31-03-2025</b>	<b>(Rs. In Lakh) As at 31-03-2024</b>
<b>A. Cash Flow From Operating Activities:</b>		
Net Profit Before Tax & Extraordinary Items	47.88	91.41
<b>Adjustments For :</b>		
Adjustments for finance costs		
Adjustments for decrease (increase) in inventories		
Adjustments for decrease (increase) in trade receivables, current		
Adjustments for decrease (increase) in trade receivables, non-current		
Adjustments for decrease (increase) in other current assets		
Adjustments for decrease (increase) in other non-current assets	(133.00)	(242.95)
Adjustments for other financial assets, non-current	(0.21)	4.47
Adjustments for other financial assets, current	(151.93)	(12.98)
Adjustments for other bank balances		
Adjustments for increase (decrease) in trade payables, current	1.37	0.93
Adjustments for increase (decrease) in trade payables, non-current		
Adjustments for (increase) decrease in loans		
Adjustments for (increase) decrease in trade receivable		
Adjustments for increase (decrease) in other current liabilities		
Adjustments for increase (decrease) in other non-current liabilities		
Adjustments for depreciation and amortisation expense		
loss due to fair valuation of equity		
Adjustments for impairment loss reversal of impairment loss recognised in profit or loss		
Adjustments for provisions, current	0.33	20.14
Adjustments for provisions, non-current		
Adjustments for other financial liabilities, current	95.44	
Adjustments for other financial liabilities, non-current		4.54
Adjustments for unrealised foreign exchange losses gains		
Adjustments for dividend income		
Adjustments for interest income		
Adjustments for share-based payments		
Adjustments for fair value losses (gains)		
Adjustments for undistributed profits of associates		
Other adjustments for which cash effects are investing or financing cash flow	(1.55)	
Other adjustments to reconcile profit (loss)		
Other adjustments for non-cash items		0.01
Share of profit and loss from partnership firm or association of persons or limited liability partnerships		
<b>Total adjustments for reconcile profit (loss)</b>	<b>(189.55)</b>	<b>(225.84)</b>
<b>Net cash flows from (used in) operations</b>	<b>(141.67)</b>	<b>(134.43)</b>
Dividends received		
Interest paid		
Interest received		
Income taxes paid (refund)	8.06	15.08
Other inflows (outflows) of cash		
<b>Net cash flows from (used in) operating activities</b>	<b>(149.73)</b>	<b>(149.51)</b>
<b>B. Cash flows from used in investing activities</b>		
Cash flows from losing control of subsidiaries or other businesses		
Cash flows used in obtaining control of subsidiaries or other businesses		
Other cash receipts from sales of equity or debt instruments of other entities		
Other cash payments to acquire equity or debt instruments of other entities		
Other cash receipts from sales of interests in joint ventures		
Other cash payments to acquire interests in joint ventures		
Cash receipts from share of profits of partnership firm or association of persons or limited liability partnerships		
Cash payment for investment in partnership firm or association of persons or limited liability partnerships		
Proceeds from sales of property, plant and equipment		
Purchase of property, plant and equipment		
Proceeds from sales of investment property	249.74	
Purchase of investment	(396.38)	
Transfer of stock of investment		

Proceeds from sales of intangible assets		
Purchase of intangible assets		
Proceeds from sales of intangible assets under development		
Purchase of intangible assets under development		
Proceeds from sales of goodwill		
Purchase of goodwill		
Proceeds from biological assets other than bearer plants		
Purchase of biological assets other than bearer plants		
Proceeds from government grants		
Proceeds from sales of other long-term assets		
Purchase of other long-term assets		
Cash advances and loans made to other parties		
Cash receipts from repayment of advances and loans made to other parties		
Cash payments for future contracts, forward contracts, option contracts and swap contracts		
Cash receipts from future contracts, forward contracts, option contracts and swap contracts		
Dividends received		
Interest received		
Income taxes paid (refund)		
Other inflows (outflows) of cash		
<b>Net cash flows from (used in) investing activities</b>	<b>(146.64)</b>	<b>-</b>
<b>C. Cash flows from used in financing activities</b>		
Proceeds from changes in ownership interests in subsidiaries		
Payments from changes in ownership interests in subsidiaries		
Proceeds from issuing shares	381.69	
Proceeds from issuing other equity instruments		
Payments to acquire or redeem entity's shares		
Payments of other equity instruments		
Proceeds from exercise of stock options		
Proceeds from issuing debentures notes bonds etc		
Proceeds from borrowings		
Repayments of borrowings	(80.86)	160.63
Payments of finance lease liabilities		
Payments of lease liabilities		
Dividends paid		
Interest paid		
Income taxes paid (refund)		
Other inflows (outflows) of cash		
<b>Net cash flows from (used in) financing activities</b>	<b>300.83</b>	<b>160.63</b>
<b>Net increase (decrease) in cash and cash equivalents before effect of exchange rate changes (A+B+C)</b>	<b>4.46</b>	<b>11.12</b>
<b>Cash and cash equivalents cash flow statement at beginning of period</b>	<b>95.54</b>	<b>84.42</b>
<b>Cash and cash equivalents cash flow statement at end of period</b>	<b>100.00</b>	<b>95.54</b>

1- These financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under.

2-The above results were reviewed by the Audit Committee and approved by Board of Directors in their meeting held on 29.05.2025.

3-The Statutory Audit of Audited Financials Results for the Quarter and Year Ended 31st March 2025 as required in terms of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 has been carried out by Statutory Auditors.

4-Previous year/ period figures have been regrouped/ rearranged wherever necessary to make the comparable with current period figures.

5- Indian Accounting Standards are applicable on the Company.

Date: 29.05.2025  
Place: New Delhi

On Behalf of the Board  
For Durgesh Merchants Limited

**Rohit Ahuja**  
**(Managing Director)**  
DIN: 07859817

# DURGESH MERCHANTS LIMITED

CIN: L65923DL1984PLC248322

**Regd. Office** : D-251, Ground Floor, Defence Colony, New Delhi- 110024

**Ph.** : 011-68888824

**Email ID** : [durgeshmerchants@gmail.com](mailto:durgeshmerchants@gmail.com)

**Website** : [www.durgeshmerchantsltd.com](http://www.durgeshmerchantsltd.com)

## QUARTERLY INTEGRATED FILING (FINANCIAL)

A. FINANCIAL RESULTS: Enclosed as “Annexure-1”

B. STATEMENT ON DEVIATION OR VARIATION FOR PROCEEDS OF PUBLIC ISSUE, RIGHTS ISSUE, PREFERENTIAL ISSUE, QUALIFIED INSTITUTIONS PLACEMENT ETC.

Statement on deviation / variation in utilization of funds raised	
Name of listed entity	DURGESH MERCHANTS LIMITED
Mode of Fund Raising	Preferential Issues by way of conversion of loan into equity shares
Date of Raising Funds	29/03/2025
Amount Raised	Conversion of loan into equity shares
Report filed for Quarter ended	31/03/2025
Monitoring Agency	Not applicable
Monitoring Agency Name, if applicable	-
Is there a Deviation / Variation in use of funds raised	No
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	-
If Yes, Date of shareholder Approval	-
Explanation for the Deviation / Variation	
Comments of the Audit Committee after review	-
Comments of the auditors, if any	-

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Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilised	Amount of Deviation/Variation for the quarter according to applicable object	Remarks if any
Objects for which funds have been raised and where there has been a deviation, in the following table where there has been a deviation, in the following table						
-						
Not applicable						
<b>Deviation or variation could mean:</b> <b>(a) Deviation in the objects or purposes for which the funds have been raised or</b> <b>(b) Deviation in the amount of funds actually utilized as against what was originally disclosed or</b> <b>(c) Change in terms of a contract referred to in the fund-raising document i.e. prospectus, letter of offer, etc.</b>						
<i>* Please note that during the reporting period, the Company has obtained shareholders' approval in their Extra-ordinary General Meeting dated 29.03.2025 for the conversion of outstanding loan of lenders into equity shares but due to non-fulfillment of various documentations and conditions for the allotment of securities to proposed lenders, the Company allotted shares to three allottees only out of four in their Board meeting dated 29.03.2025.</i>						
<b>Rohit Ahuja</b> <b>Managing Director</b> <b>DIN: 07859817</b>						

## C. FORMAT FOR DISCLOSING OUTSTANDING DEFAULT ON LOANS AND DEBT SECURITIES: NIL

S. No.	Particulars	in INR crore
1.	Loans / revolving facilities like cash credit from banks / financial institutions	
A	Total amount outstanding as on date	-





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**E. STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS (FOR AUDIT REPORT WITH MODIFIED OPINION) SUBMITTED ALONG-WITH ANNUAL AUDITED FINANCIAL RESULTS (Standalone and Consolidated separately) (applicable only for Annual Filing i.e., 4th quarter):**—Not Applicable as Management Declaration on unmodified opinion attached herewith as “Annexure-2”

**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2025**

*(See regulation 33 of the SEBI (LODR) Regulations, 2015)*

I.	Sl. No.	Particulars	Audited Figures	Adjusted Figures
			(as reported before adjusting for qualifications)	(audited figures after adjusting for qualifications)
	1.	Turnover / Total income	-	-
	2.	Total Expenditure	-	-
	3.	Net Profit/(Loss)	-	-
	4.	Earnings Per Share	-	-
	5.	Total Assets	-	-
	6.	Total Liabilities	-	-
	7.	Net Worth	-	-
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-

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<b>II.</b>	<p><b><u>Audit Qualification (each audit qualification separately):</u></b></p> <p>a. <b>Details of Audit Qualification:</b></p> <p>b. <b>Type of Audit Qualification:</b> Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p> <p>c. <b>Frequency of qualification:</b> Whether appeared first time / repetitive / since how long continuing</p> <p>d. <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</b></p> <p>e. <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b></p> <p>(i) <b>Management's estimation on the impact of audit qualification:</b></p> <p>(ii) <b>If management is unable to estimate the impact, reasons for the same:</b></p> <p>(iii) <b>Auditors' Comments on (i) or (ii) above:</b></p>
<b>III.</b>	<p><b><u>Signatories:</u></b></p> <ul style="list-style-type: none"><li>• <b>CEO/Managing Director</b></li><li>• <b>CFO</b></li><li>• <b>Audit Committee Chairman</b></li><li>• <b>Statutory Auditor</b></li></ul> <p><b>Place:</b></p> <p><b>Date:</b></p>

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# **DURGESH MERCHANTS LIMITED**

**CIN: L65923DL1984PLC248322**

29<sup>th</sup> May, 2025

**To,**  
**The Executive Director,**  
**The Calcutta Stock Exchange Limited,**  
**7, Lyons Range, Dalhousie,**  
**Kolkata, West Bengal -700 001**  
**(Scrip Code: 100143)**

**ISIN: INE616Q01011**

**Subject: Management Declaration on Un-modified Audit Report**

Dear Sir(s)/Ma'am,

Pursuant to Regulation 33(3) (d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended by Notification No. SEBI/LAD-NRO/GN/2016-17/001 dated May 25, 2016 and Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016 issued by the Securities and Exchange Board of India (SEBI) it is hereby declared that the Statutory Auditors of the Company, M/s. Krishan Rakesh & Co., Chartered Accountants (FRN: 009088N) have issued the Statutory Auditors' Report for the Financial Statements as prepared under the Companies Act, 2013 and Financial Results as prepared under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter and financial year ended 31st March, 2025 with unmodified opinion.

Kindly take the same on your records.

Thanking You,

Yours Faithfully,

*For and on behalf of*

**Durgesh Merchants Limited**

**Rohit Ahuja**

**(Managing Director)**

**DIN: 07859817**

**Address: D-251, Ground Floor, Defence  
Colony, New Delhi – 110024**

**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**NEW DELHI**  
**BENCH-V**

**I.A. 5864/ND/2022**  
**IN**  
**C.P. No. IB- 721/PB/2021**

**(Under Section 30 (6) and 31 of the Insolvency and Bankruptcy Code, 2016 read with Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016))**

**IN THE MATTER OF:**

M/S. UTSAV SECURITIES LIMITED

**....Financial Creditor**

**Vs.**

M/S. VA REALCON PRIVATE LIMITED

**....Corporate Debtor**

**AND**

**IN THE MATTER OF:**

MOHD. NAZIM KHAN  
RESOLUTION PROFOSSIONAL OF  
M/s. VA REALCON PRIVATE LIMITED

**.... Applicant**

**Order Delivered On: 30.01.2024**

**CORAM:**

**SH. MAHENDRA KHANDELWAL, HON'BLE MEMBER (JUDICIAL)**  
**DR. SANJEEV RANJAN, HON'BLE MEMBER (TECHNICAL)**

*10-1-24*



*Kashant Kumar*  
*01-02-2024*  
Deputy Registrar  
National Company Law Tribunal  
CGO Complex, New Delhi-110003

I.A. 5864/ND/2022  
IN  
C.P. No. IB- 721/PB/2021  
Date of Order: 30.01.2024



**ORDER**

**PER: MAHENDRA KHANDELWAL, MEMBER (JUDICIAL)**

1. The present application has been filed ON BEHALF OF Mr. Mohd. Nazim Khan ('Applicant'), Resolution Professional of M/s. VA Realcon Private Limited ('Corporate Debtor') under Section 30(6) read with Section 31 of the Insolvency & Bankruptcy Code, 2016, (the Code) read with Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ('Regulations') seeking approval of the Resolution Plan submitted by M/s. Durgesh Merchants Limited ('Successful Resolution Applicant').
2. The facts of the present case as averred by the applicant in the application are stated in brief as follow:
  - a) The Corporate Insolvency Resolution Process (CIRP) was initiated against the Corporate Debtor, M/s. VA Realcon Private Limited, vide this Adjudicating Authority order dated 07.04.2022, pursuant to an application filed by M/s. Utsav Securities Limited, under Section 7 of the Code and Mr. Mohd Nazim Khan was appointed as Interim Resolution Professional who was later confirmed as the Resolution Professional.
  - b) The applicant carried out a public announcement of initiation of CIRP on 09.04.2022 in Form – A wherein the last date of submission of claims was mentioned as 22.04.2022. The Applicant after collation of claims and determination of the financial position of the Corporate Debtor, a Committee of Creditors (CoC) was duly constituted by the Applicant on 29.04.2022.
  - c) The second meeting of CoC was held on 13.06.2022, wherein the Form –H 'Invitation for Expression of Interest', eligibility criteria pursuant to Section 25 (2) of the IBC,2016 along with the Request for Resolution Plan (RFRP) and Evaluation Matrix was discussed. In pursuance thereof, the RP proposed the resolutions before the COC and the same has been passed by the COC with 100% Voting rights.

I.A. 5864/ND/2022  
IN  
C.P. No. IB- 721/PB/2021  
Date of Order: 30.01.2024





- d) The Expression of Interest was published in prescribed Form G for VA Realcon Private Limited on 16.06.2022 in Pioneer English and Pioneer Hindi edition newspapers wherein the last date for receipt of Expression of Interest was 1st July, 2022.
- e) The applicant had received Expression of Interest from two Prospective Resolution Applicants, however, after the Scrutiny of documents, out of the two Prospective Resolution Applicants on, one Prospective Resolution Applicant was ineligible as set of documents and payment of Earnest Money was not submitted by the concerned Prospective Resolution Applicant. Further, the applicant had issued the final list of prospective Resolution Applicants as per Form G on 26.07.2022 containing the name of M/s. Durgesh Merchants Limited, Prospective Resolution Applicant.
- f) The applicant in compliance of the Regulation 36B (1) of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulation, 2016 had issued Request for Resolution Plan and Evaluation Matrix along with the Information Memorandum on 16.07.2022 to the Prospective Resolution Applicant namely, M/s. Durgesh Merchants Limited.
- g) In accordance with the Form-G and Request for Resolution Plan, the Applicant received the Resolution Plan in sealed envelope from one of the PRA namely M/s. Durgesh Merchants Limited vide email dated 15.08.2022, however physical copy of the Resolution Plan was received in sealed envelope on 27.08.2022 vide speed post.
- h) The third meeting of the COC was conducted on 01.09.2022, wherein the COC members opened the Resolution Plan as submitted by M/s. Durgesh Merchants Limited. The members of the COC sought necessary clarification with the Prospective Resolution Applicant on the Resolution Plan during the presentation of the Resolution Plan.
- i) The applicant had received the modified Resolution Plan from the Prospective Resolution Applicant on 28.10.2022 and accordingly, the RP convened the Fifth COC meeting on 07.11.2022 and placed the

I.A. 5864/ND/2022  
IN  
C.P. No. IB- 721/PB/2021  
Date of Order: 30.01.2024





modified Resolution Plan for the Corporate Debtor submitted by M/s. Durgesh Merchants Limited ('Successful Resolution Applicant') along with the due diligence report prepared by the Applicant. The COC considered the Resolution Plan, conducted the financial due diligence and checked the viability of the Resolution Plan and thereafter, approved the Resolution Plan of M/s. Durgesh Merchants Limited with 100% voting in favour. The resolution for approval of Resolution Plan submitted by the Successful Resolution Applicant along with the voting results is reproduced below:-

"RESOLVED THAT pursuant to Section 30(3) of the Insolvency and Bankruptcy Code, 2016 (IBC) and other applicable provisions of the Insolvency and Bankruptcy Code, 2016 and Rules and Regulations framed there under, the resolution plan of Durgesh Merchants Limited be and is hereby approved by the COC.

RESOLVED FURTHER THAT pursuant to the provisions of Section 30(6) and other applicable provisions of the Insolvency and Bankruptcy Code, 2016 and Rules and Regulations framed there under, the Resolution Professional be and is hereby authorized to submit the Resolution Plan as approved by the Committee of Creditors to the Hon'ble Adjudicating Authority and to do all such acts, deeds and things as may be required or considered necessary or incidental thereto in connection with."

**Approved with 100% Voting Rights**

S.No	Name of the Creditor	Voting Share (%)	Signature		
			Assent	Dissent	Abstain
1.	Utsav Securities Private Limited	43.67 %	43.67%		
2.	Avail Financial Services Limited	56.33%	56.33%		
	<b>Total</b>	<b>100</b>	<b>100</b>		

- j) Further, the Applicant had filed an Application having IA-4683/2022 for extension of CIRP period for further 90 days beyond stipulated 180

I.A. 5864/ND/2022  
IN  
C.P. No. IB- 721/PB/2021  
Date of Order: 30.01.2024





days as per the provision of Section 12(2) and (3) of IBC, 2016 read with Regulation 40 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 and the same has been allowed by this Adjudicating Authority vide order dated 29.09.2022 passed by the Hon'ble Tribunal granting the extension of 90 days.

3. We have heard the submissions made by the Applicant and have meticulously gone through the documents produced on record.
4. From the averments made in the Application as well as the documents annexed, it seems that the procedures have been duly complied with and the applicant has issued a Compliance Certificate in Form-H and the same is annexed as Annexure-10 (Colly.) pg no.404-412 of the present application. However, this Tribunal must examine the Resolution Plan vis-à-vis with the mandatory compliances under the Code.
5. In view of the Section 31 of the Code, the Adjudicating Authority, before approving the Resolution Plan, is required to examine that a Resolution Plan which is approved by the CoC under Section 30(4) of the Code meets the requirements as referred under Section 30(2) of the Code.

Section 30 (2) is quoted below: -

*"(2) The resolution professional shall examine each resolution plan received by him to confirm that each resolution plan -*

*(a) provides for the payment of insolvency resolution process costs in a manner specified by the Board in priority to the payment of other debts of the corporate debtor;*

*(b) provides for the payment of debts of operational creditors in such manner as may be specified by the Board which shall not be less than-*

*(i) the amount to be paid to such creditors in the event of a liquidation of the corporate debtor under section 53; or*

*(ii) the amount that would have been paid to such creditors, if the amount to be distributed under the resolution plan had been distributed in accordance with the order of priority in sub-section (1) of section 53,*

*whichever is higher, and provides for the payment of debts of financial creditors, who do not vote in favour of the resolution plan, in such*

I.A. 5864/ND/2022  
IN  
C.P. No. IB- 721/PB/2021  
Date of Order: 30.01.2024





manner as may be specified by the Board, which shall not be less than the amount to be paid to such creditors in accordance with sub-section (1) of section 53 in the event of a liquidation of the corporate debtor.

*Explanation 1. — For removal of doubts, it is hereby clarified that a distribution in accordance with the provisions of this clause shall be fair and equitable to such creditors.*

*Explanation 2. — For the purpose of this clause, it is hereby declared that on and from the date of commencement of the Insolvency and Bankruptcy Code (Amendment) Act, 2019, the provisions of this clause shall also apply to the corporate insolvency resolution process of a corporate debtor-*

*where a resolution plan has not been approved or rejected by the Adjudicating Authority;*

*where an appeal has been preferred under section 61 or section 62 or such an appeal is not time barred under any provision of law for the time being in force; or*

*where a legal proceeding has been initiated in any court against the decision of the Adjudicating Authority in respect of a Resolution Plan;]*

*(c) provides for the management of the affairs of the Corporate debtor after approval of the resolution plan;*

*(d) the implementation and supervision of the resolution plan;*

*(e) does not contravene any of the provisions of the law for the time being in force*

*(f) conforms to such other requirements as may be specified by the Board.*

*[Explanation. — For the purposes of clause (e), if any approval of shareholders is required under the Companies Act, 2013(18 of 2013) or any other law for the time being in force for the implementation of actions under the resolution plan, such approval shall be deemed to have been given and it shall not be a contravention of that Act or law.]”*

6. Further, as per Regulation 38 of the CIRP Regulations, a Resolution Plan is required to contain a statement how it will deal with the interest of all the stakeholders including Financial Creditors and the Operational Creditors and if these are sufficiently provided for in the Resolution Plan, the Adjudicating Authority may approve the Resolution Plan.



I.A. 5864/ND/2022  
IN  
C.P. No. IB- 721/PB/2021  
Date of Order: 30.01.2024



7. The amounts proposed to be paid towards the Corporate Insolvency resolution of the Corporate Debtor pursuant to the implementation of the proposed Resolution Plan submitted by the Successful Resolution Applicant is briefed as under: -

<b>S No</b>	<b>Particulars</b>	<b>Basis</b>	<b>Amount</b>
i.	Corporate Insolvency Resolution Process cost	Actual	INR 10 Lakh or actual amount, whichever is higher
ii.	Secured Financial Creditors, Unrelated, Having Voting Right	Not Applicable	Nil
iii.	Unsecured Financial Creditors, Unrelated, Having Voting Right	2,56,22,286 i.e 80% of the Claim Admitted Amount	INR 2,56,22,286
iv.	Operational Creditors other than workmen and employees	Not Applicable	Nil
v.	Workmen Dues	Not Applicable	Nil
vi.	Employees	Not Applicable	Nil
vii.	Government dues i.e. Income Tax Department	Not Applicable	Nil
viii.	Others	Not Applicable	Nil
ix.	Contingency	Not Applicable	Nil
<b>Total</b>			<b>INR 2,66,22,286</b>

8. In respect of compliance of Section 30(2)(a) of the Code, it is seen that there is a provision in Part-B (Proposal for CIRP Process Cost) of Chapter 5 of the Resolution Plan which provides that the CIRP Costs shall be paid in priority to any other creditors of the Corporate Debtor.



I.A. 5864/ND/2022  
IN  
C.P. No. IB- 721/PB/2021  
Date of Order: 30.01.2024



9. As regards compliance of clause (b) of Section 30(2) of the Code, it is seen that the amount due to the Operational Creditors is Nil as specified in Part D (Claim of Operational Creditors) of Chapter 5 of the Resolution Plan since as per the Information Memorandum no claim was received by the applicant on behalf of the operational creditors and therefore, no amount is payable to the operational creditor.
10. As regards compliance of clause (c) of Section 30(2) of the Code, it is seen that the Resolution Plan provides the details regarding the formation and functioning of the Corporate Debtor, its business and affairs, as a going concern after the approval of the Resolution Plan and the same is set forth in Part L (Proposal for management and control of business of the Corporate Debtor) of Chapter 5 of the Resolution Plan.
11. As regards compliance of clause (d) of Section 30(2) of the Code, it is seen that the implementation provisions are mentioned in Part M (Proposal for supervising Resolution Plan and its implementation) of Chapter 5 of the Resolution Plan. The implementation of the Plan until the final payment shall be jointly supervised by the Monitoring committee till the final payment of Resolution Plan. As per the Resolution Plan, the Monitoring Committee shall comprise of (i) Chairman of Monitoring Agency; (ii) a representative of the Financial Creditor having the highest voting share (COC); and (iii) a representative of the Resolution Applicant.
12. As regards compliance of clause (e) and clause (f) of Section 30 (2) of the Code, the successful resolution applicant has submitted declaration under Section 30(2)(e) and Section 30(2)(f) of the Code affirming that the Resolution Plan does not contravene any of the provisions of the law and conforms to such other requirements as may be specified by the Board in Part N of Chapter 5 of the Resolution Plan.
13. As per Regulations 39(4) of the of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (CIRP regulations), the applicant has filed compliance certificate in Form-H certifying that the Resolution

I.A. 5864/ND/2022  
IN  
C.P. No. IB- 721/PB/2021  
Date of Order: 30.01.2024





Plan submitted by the successful resolution applicant meets the requirements as laid down in various clauses of Section 30 (2) of the Code.

14. In sequel to aforesaid discussions, we are satisfied that all the requirements of Section 30 (2) are fulfilled. In respect of compliances regarding CIRP Regulations specifically Regulations 38 and 39, the Resolution Professional has certified in Form-H and explained in detail that the Resolution Plan has complied with all the required Regulations.
15. The brief summary of the implementation of the proposed Resolution Plan is as follows: -
  - a) Corporate Restructuring through amalgamation of Corporate Debtors with Resolution Applicant as per the terms and conditions as envisaged in the Resolution Plan.
  - b) Resolution Plan provides for amalgamation of VA Realcon Private Limited (Corporate Debtor) into Durgesh Merchants Limited (Resolution Applicant) and subsequently transfer of all the assets and liabilities of Corporate Debtors into/to Resolution Applicant which includes all assets and liabilities (liabilities to be recognised after giving effect of the proposals in this Resolution Plan for the respective stakeholders).
  - c) The scheme of Amalgamation of VA Realcon Private Limited into Durgesh Merchants Limited ensures continuity of business of Corporate Debtor which preserves going concern valuation of the corporate debtors and also develop market and generate adequate cash flow as compared to as asset under CIRP.
  - d) The 'Appointed Date' means the date as may be approved by the NCLT or such other appropriate authority.





e) Proposal to Shareholders of the Corporate Debtor.

• **Proposal to Shareholders of VA Realcon Private Limited:**

Sl. No.	Category	No. of Shares	Allotment Proposal
1	Public	1,05,10,000	A total of 2,80,253 (Two Lakh Eighty Thousand Two Hundred Fifty Three) shares shall be allotted to the shareholders of Corporate Debtor in the proportion of their shareholding in Corporate Debtor
2	Promoter	100	

16. The proposed payment to the Financial Creditors and its timeline as per Part C of the Resolution Plan is represented below in tabular format: -

Sl. No.	Name	Amount Claimed (Rs.)	Amount Admitted (Rs.)
1	Utsav Securities Private Limited	1,39,87,857/-	1,39,87,857/-
2	Avail Financial Services Limited	1,80,40,000/-	1,80,40,000/-
	<b>Total</b>	<b>3,20,27,857/-</b>	<b>3,20,27,857/-</b>

Outstanding of financial creditors shall be settled under this Resolution Plan at 80% at a total consideration of Rs. 2,58,22,286/- (Rupees Two Crores Fifty Six Lakh Twenty Two Thousand Two Hundred Eighty Six) which will be funded/ arranged by Durgesh Merchants Limited, Resolution Applicant. The balance dues, if any, of the Financial Creditors shall stand waived. The Financial Creditors shall have no claim against the Corporate Debtor or Resolution Applicant for the balance amount in any form save and except in the event of default in agreed payment.

The Terms of Payment to Financial Creditors shall be as follows: -

Sl. No.	Particulars	Amount (Rs.)
1.	Cash Component	2,58,22,286/-
2.	Allotment of Equity Shares of Resolution Applicant	0/-
	<b>Total</b>	<b>2,58,22,286/-</b>

The Financial Creditors as listed above of this Resolution Plan shall be paid within 180 days upon approval of Resolution Plan along with sanction of the Scheme of Amalgamation by NCLT as per the payment schedule.



I.A. 5864/ND/2022  
IN  
C.P. No. IB- 721/PB/2021  
Date of Order: 30.01.2024



### Upfront Payment

- The Resolution Applicant will make an upfront payment of 25 % of the total consideration payable to Financial Creditors as upfront payment within 60 days from the date of approval of resolution plan by the Hon'ble Adjudicating Authority and sanction of scheme of amalgamation.

S. No	Name	Amount ( In Rs)	Period (In Days )
1	Financial Creditor	Total 2,56,22,286/-	64,05,572 i.e 25% of the total amount in 60 days **  1,92,16,714 balance 75% within 180 days**

\*\*The period of 60 and 180 days will start from the date of approval of resolution plan by the Hon'ble Adjudicating Authority and sanction of scheme of amalgamation.

17. This Adjudicating Authority vide its order dated 18.08.2023 has sought the following clarifications from the Applicant as well as from the Successful Resolution Applicant: -

- To provide the list of the shareholders of the Corporate Debtor along with the number of equity shares proposed to be issued by the Successful Resolution Applicant.
- The rationale behind the issue of equity shares to the shareholders of the Corporate Debtor including the promoters of the Corporate Debtor.

18. The applicant had submitted affidavit dated 31.08.2023 before this Adjudicating Authority providing the following reply to the clarifications sought: -

- The list of the shareholders of the Corporate Debtor along with the number of equity shares proposed to be issued by the Successful Resolution Applicant on the approval of the proposed Resolution Plan is as under: -



I.A. 5864/ND/2022  
IN  
C.P. No. IB- 721/PB/2021  
Date of Order: 30.01.2024

Shareholding Pattern of the Corporate Debtor pre and post- merger is as under:

Particulars	No of Equity Shares	Face Value	Amount
Pre- Merger	1,05,10,100	10/-	10,51,01,000
Post-Merger	2,80,253	10/-	28,02,530

Below is the list of the shareholders of the Corporate Debtor along with the number of equity shares proposed to be issued by the Successful Resolution Applicant in view of the Resolution Plan:

S No	Name of the Shareholder	Category	Number of shares held	
			Before Merger	Post-Merger
1.	Nandi Mercantile & Credits Private Limited	Public	39,63,000	105,674
2.	Danveer Investment Private Limited	Public	26,00,000	69,330
3.	Sulphur Securities Private Limited	Public	20,72,000	55,250
4.	S.K.P.J. Investment and Finance Pvt. Ltd.	Public	9,25,200	24,670
5.	Reliable Finance Corporation Private Limited	Public	841,000	22,426
6.	Aquarius Fincap and Credits Pvt. Ltd.	Public	98,800	2,635
7.	Sh. Praveen Rastogi	Public	5,000	134
8.	Sh. Anup Verma	Public	5,000	134
9.	Pawan Kumar Gupta	Promoter	100	3
<b>Total</b>			<b>1,05,10,100</b>	<b>2,80,253</b>

Share Swap Ratio: 2.6665:100. Accordingly, 2.6665 Equity shares will be issued for 100 shares, please refer clause 6.4 of the scheme.

- b) The rationale behind the issue of equity shares to the shareholders of the Corporate Debtor including the promoters of the Corporate Debtor is that in the case of merger, there are two types of stakeholders i.e. one is Shareholders and another is Creditors and the Corporate Debtor in order to satisfy the claim of both the stakeholders has proposed to pay the consideration to both the stakeholders. Accordingly, an amount of Rs 2,56,22,286 (Rupees Two Crore Fifty-Six Lakh Twenty-Two Thousand Two Hundred Eighty-Six shall be paid to the Financial creditors of the Corporate Debtor being 80% of the total claim and shareholders of the Corporate Debtor shall be allotted a total of 2,80,253 Equity Shares of face value of Rs 10/- as per swap ratio (i.e. 2.6665:100) Furthermore, the Corporate debtor is the unlisted private company while the Resolution Applicant is a public listed company and on the dissemination board of the NSE and very soon will become an NSE-listed company and the listing benefits will automatically going to the shareholders of the Corporate Debtor.

I.A. 5864/ND/2022  
IN  
C.P. No. IB- 721/PB/2021  
Date of Order: 30.01.2024





This Adjudicating Authority vide order dated 16.10.2023 had directed the applicant and the Successful Resolution Applicant to provide the following clarifications: -

- a) Disclosure of Relationship of the shareholders of the Corporate Debtor before proposed Amalgamation vis-a-vis, the Successful Resolution Applicant.
- b) Rationale for continuing the shareholders of Corporate Debtor as the Shareholders of the Successful Resolution Applicant after amalgamation of Corporate Debtor into SRA.

20. The Applicant had submitted an affidavit dated 19.10.2023 and following clarifications are submitted: -

- a) With regard to the clarification No.1, the Successful Resolution Applicant had submitted that the shareholders of the Corporate Debtor do not have any relation with the SRA in terms of section 5(24) of IBC. Further, the resolution professional has also conducted his due diligence in this regard and has not found any such relationship.
- b) With regard to the clarification No.2, it was submitted that the corporate debtor's account has not been classified as NPA, neither the promoters are declared as willful defaulter, also, there is no avoidance/ fraudulent transaction reported by the resolution professional, being so the bar of section 29A does not apply to the present case. The aforesaid two factors i.e. balancing the interest of all the stakeholders (including the shareholders of the corporate debtor) and there being no bar under section 29A of IBC, the SRA had proposed to issue shares to the existing shareholders of the corporate debtor post amalgamation. The idea of balancing the interest of all the stakeholders finds strength from the fact that in the resolution plan an amount of Rs 2,56,22,286/- is proposed to be paid to the financial creditors of the corporate debtor, being 80% of the total claim, while shareholders of the corporate debtor are proposed to be allotted a total of 2,80,253 Equity Shares of face value of Rs 10/- as per swap ratio (i.e. 2.6665:100).

21. The Hon'ble Supreme Court vide its order dated 21.11.2023 in the case **Ramkrishna Forgings Limited Vs Ravindra Loonkar, Resolution Professional of ACIL Limited & Anr. in Civil Appeal No. 1527/2022** had held as follows:-

I.A. 5864/ND/2022  
IN  
C.P. No. IB- 721/PB/2021  
Date of Order: 30.01.2024





"27. Having considered the matter in depth, the Court is unable to uphold the decisions rendered by the Adjudicating Authority-NCLT as also the NCLAT. The moot question involved is the extent of the jurisdiction and powers of the Adjudicating Authority to go on the issue of revaluation in the background of the admitted and undisputed factual position that no objection was raised by any quarter with regard to any deficiency/irregularity, either by the RP or the appellant or the CoC, in finally approving the Resolution Plan which was sent to the Adjudicating Authority-NCLT for approval. Further, the statutory requirement of the RP involving two approved valuers for giving reports apropos fair market value and liquidation value was duly complied with and the figures in both reports were not at great variance. Significantly, the same were then put up before the CoC, which is the decision-maker and in the driver's seat, so to say, of the Corporate Debtor. *K Sashidhar (supra)* and *Committee of Creditors of Essar Steel India Ltd. (supra)* are clear authorities that the CoC's decision is not to be subjected to unnecessary judicial scrutiny and intervention. This came to be reiterated in *Maharashtra Seamless Limited (supra)*, which also emphasised that the CoC's commercial analysis ought not to be qualitatively examined and the direction therein of the NCLAT to direct the successful Resolution Applicant to enhance its fund flow was disapproved of by this Court. Thus, if the coc, including the FC(s) to whom money is due from the Corporate Debtor, had undertaken repeated negotiations with the appellant with regard to the Resolution Plan and thereafter, with a majority of 88.56% votes, approved the final negotiated Resolution Plan of the appellant, which the RP, in turn, presented to the Adjudicating Authority-NCLT for approval, unless the same was failing the tests of the provisions of the Code, especially Sections 30 & 31, no interference was warranted. In *Kalpraj Dharamshi v Kotak Investment Advisors Limited, (2021) 10 SCC 401*, the Court concluded that in view of the paramount importance given to the decision of CoC, which is to be taken on the basis of "commercial wisdom", NCLAT was not correct in law in interfering with the commercial decision taken by CoC by a thumping majority of 84.36%."

22. Further, on perusal of the Resolution Plan, it is observed that sources of funds are provided in Part L at pg no. 24 of the Resolution Plan wherein it is provided as follows: -

*The Resolution Applicant proposes to bring necessary funds to repay all amount pertains to the Financial Creditors of the Corporate Debtor as per the IM, upon approval of the Resolution Plan and pertaining to Shareholders of the Company by way of Equity Share Capital of the Resolution Applicant.*

I.A. 5864/ND/2022  
IN  
C.P. No. IB- 721/PB/2021  
Date of Order: 30.01.2024





The Resolution Applicant proposes to bring necessary funds to repay the settled amount of Rs. 2,56,22,286/- pertains to the Financial Creditors of the Corporate Debtors against outstanding as per IM, upon approval of this Resolution Plan (including Scheme of Amalgamation), as Resolution Applicant (transferee company) has sufficient net-worth to pay all settled amount/claims. Moreover, Resolution Applicant further proposes to bring necessary funds amounting to Rs. 10 Lacs to meet the cost of this Resolution Process, including Resolution Professional cost along with applicable laws.

The tabular representation of the payments proposed to be made under the Resolution Plan is as follows:-

Sl. No.	Particular	Amount (Rs.)
1	Resolution Professional Cost	10,00,000.00
2	Financial Creditors	2,56,22,286.00
3	Operational Creditors (Admitted)	0.00
4	Employees Dues	0.00
5	Statutory Dues	0.00
	<b>Total</b>	<b>2,66,22,286.00</b>

23. The Hon'ble Supreme Court of India in the matter of **Committee of Creditors of Essar Steel India Limited vs. Satish Kumar Gupta & Ors., Civil Appeal No. 8766-67 of 2019, vid its judgement dated 15.11.2019** has observed as follows:

"38. This Regulation fleshes out Section 30(4) of the Code, making it clear that ultimately it is the commercial wisdom of the Committee of Creditors which operates to approve what is deemed by a majority of such creditors to be the best resolution plan, which is finally accepted after negotiation of its terms by such Committee with prospective resolution applicants."

24. Thus, from the judgements cited supra, it is amply clear that only limited judicial review is available to the Adjudicating Authority under Section 30(2) read with Section 31 of the Code, 2016 and this Adjudicating Authority cannot venture into the commercial aspects of the decisions taken by the committee of the creditors.

I.A. 5864/ND/2022  
IN  
C.P. No. IB- 721/PB/2021  
Date of Order: 30.01.2024





For the reasons discussed above, in our considered view, the Resolution Plan fulfils the requirement as referred in Section 30 (2) of the Code and there are sufficient provisions in the Plan for its effective implementation as required under the proviso of Section 31 (1) of the Code, the Resolution Plan has been unanimously approved by CoC.

26. As to the relief and concessions sought in the resolution plan more specifically set out in Part H (Reliefs and Concessions) of the Resolution Plan, taking into consideration the decision of the Hon'ble Supreme Court in the matter of **Embassy Property Development Private Limited v. State of Karnataka & Ors. in Civil Appeal No. 9170 of 2019**, we direct the Successful Resolution Applicant to file requisite application before the concerned forum/ authority in order to avail the necessary relief and concessions, in accordance with respective laws.
27. On perusal of Form-H annexed as Annexure-10 (Colly.) at page no.404 - 411 of the present application, it is found that the Average Fair Market Value of the Corporate Debtor as provided in Form- H is Rs. 2,55,90,912.72/- and the Average Liquidation Value of the Corporate Debtor is Rs.1,28,01,940.97/-. We further observe that no application under Section 43, 45, 50 and 66 of the Code, 2016 is pending before this Adjudicating Authority.
28. Therefore, in our considered view, there is no impediment in giving approval to the Resolution Plan. Accordingly, we hereby **approve the Resolution Plan**, which has been approved by the CoC i.e., by 100% voting. The Plan approved shall be binding on the Corporate Debtor and its employees, shareholders of corporate debtor, creditors including the Central Government, any State Government or any Local Authority to whom statutory dues are owed
29. Resultantly, the present **IA No. 5864/ND/2022 is hereby allowed** with the following directions:

I.A. 5864/ND/2022  
IN  
C.P. No. IB- 721/PB/2021  
Date of Order: 30.01.2024



- i. The amalgamation of VA Realcon Private Limited (Corporate Debtor) into M/s. Durgesh Merchants Limited (Resolution Plan) as provided in the Chapter 6 of Resolution Plan is hereby granted subject to the compliance of the provisions of Companies Act, 2013 and rules made thereunder.
- ii. It is clarified that Section 30 (2) (f) of the Code mandates that the Resolution Plan should not be against any provisions of the existing law. The Resolution applicant therefore, shall adhere to all the applicable laws for the time being in force under the proposed Resolution Plan, whether or not specifically provided therein.
- iii. It is declared that the moratorium order passed by this Bench under Section 14 of the Code shall cease to have effect from the date of this order.
- iv. The Resolution Professional shall forward all records relating to the Corporate Insolvency Resolution Process of the corporate debtor and the Resolution Plan to IBBI to be recorded at its database in terms of Section 31(3)(b) of the Code.
- v. The approved 'Resolution Plan' shall become effective from the date of passing of this order, The Approved Resolution Plan shall be part of this order.
- vi. The Monitoring Committee is directed to file the monthly status report with regard to the implementation of the approved plan before this Adjudicating Authority.

Let the copy of the order be served to the parties.

*Rishant  
Kumar  
01-2-2024*  
Deputy Registrar  
National Company Law Tribunal  
CGO Complex, New Delhi-110003

Sd/-  
**(DR. SANJEEV RANJAN)**  
MEMBER (T)



Sd/-  
**(MAHENDRA KHANDELWAL)**  
MEMBER (J)

*01-2-24*

I.A. 5864/ND/2022  
IN  
C.P. No. IB- 721/PB/2021  
Date of Order: 30.01.2024