

**34TH ANNUAL REPORT**

**2017-18**

**DURGESH MERCHANTS LIMITED**

**(CIN: L65923DL1984PLC248322)**

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## COMPANY INFORMATION

<b>CIN:</b>	<b>L65923DL1984PLC248322</b>		
<b>BOARD OF DIRECTORS:</b>	<p><b>Mr. Rohit Ahuja</b> (DIN: 07859817): (Managing Director)</p> <p><b>Ms. Jayanti Sharma</b> (DIN: 05285845): (Director)</p> <p><b>Mr. Kamal Ahuja</b> (DIN: 00005195): (Director)</p> <p><b>Ms. Poonam Ahuja</b> (DIN: 05351468): (Director)</p> <p><b>Mr. Krishan Kartik</b> (DIN: 07079790): (Independent Director)</p> <p><b>Mr. Yash Malhotra</b> (DIN: 07596446): (Independent Director)</p> <p><b>Ms. Surbhi Sharda</b> (DIN: 07739608): (Independent Director)</p>		
<b>COMPANY SECRETARY AND COMPLIANCE OFFICER :</b>	Mr. Praveen Parbhaker Tiwari		
<b>BOARD COMMITTEES:</b>			
<b>AUDIT COMMITTEE :</b>			
<b>S. NO.</b>	<b>NAME OF MEMBERS</b>	<b>DESIGNATION</b>	<b>CATEGORY</b>
1.	Mr. Krishan Kartik	Chairman	Independent Non-Executive Director

2.	Mr. Yash Malhotra	Member	Independent Non-Executive Director
3.	Ms. Jayanti Sharma	Member	Non-Executive Director

<b>A. NOMINATION AND REMUNERATION COMMITTEE :</b>			
<b>S. NO.</b>	<b>NAME OF MEMBERS</b>	<b>DESIGNATION</b>	<b>CATEGORY</b>
1.	Mr. Krishan Kartik	Chairman	Independent Non-Executive Director
2.	Mr. Yash Malhotra	Member	Independent Non-Executive Director
3.	Ms. Jayanti Sharma	Member	Non-Executive Director
<b>C. SHARE TRANSFER COMMITTEE :</b>			
<b>S. NO.</b>	<b>NAME OF MEMBERS</b>	<b>DESIGNATION</b>	<b>CATEGORY</b>
1.	Mr. Kamal Ahuja	Chairman	Non- Executive Director
2.	Ms. Jayanti Sharma	Member	Non- Executive Director
3.	Mr. Krishan Kartik	Member	Independent Non-Executive Director
<b>D. FINANCE &amp; INVESTMENT COMMITTEE :</b>			

<b>S. NO.</b>	<b>NAME OF MEMBERS</b>	<b>DESIGNATION</b>	<b>CATEGORY</b>
1.	Mr. Krishan Kartik	Chairman	Independent Non-Executive Director
2.	Ms. Jayanti Sharma	Member	Non- Executive Director
3.	Mr. Kamal Ahuja	Member	Non- Executive Director

<b>SECRETARIAL AUDITOR :</b>	<b>M/s Mohit Singhal &amp; Associates</b> <b>Address:</b> 318, Ansal Mejestic Tower, PVR Complex, Vikas Puri New Delhi-110018 <b>Contact No.:</b> 9650066558
<b>BANKERS:</b>	<b>Kotak Mahindra Bank</b>
<b>STATUTORY AUDITORS:</b>	<b>M/s Krishan Rakesh &amp; Co.</b> <b>(Chartered Accountants)</b> <b>Address:</b> 143, Kohat Enclave, 2nd Floor, Pitampura, Delhi-110034, <b>Contact No. :</b> 011-45182170
<b>REGISTERED OFFICE:</b>	<b>D-220, Basement, Defence Colony, New Delhi-110024</b>

<b>REGISTRAR &amp; SHARES TRANSFER AGENT:</b>	<b>Skyline Financial Services Pvt. Ltd.</b> <b>Address:</b> D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 <b>Contact No:</b> 011-64732681-88
<b>ISIN NO.</b>	<b>INE616Q01011</b>
<b>COMPANY WEBSITE:</b>	<a href="http://www.durgeshmerchantsltd.com">www.durgeshmerchantsltd.com</a>
<b>E-MAIL:</b>	durgeshmerchants@gmail.com

## **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the 34<sup>th</sup> (Thirty Fourth) Annual General Meeting of the Members of **Durgesh Merchants Limited** will be held on Wednesday, **the 25<sup>th</sup> day of July, 2018** at **10:00 A.M.** at **D-220, Basement, Defence Colony, New Delhi-110024** to transact the following business:

### **ORDINARY BUSINESS**

- 1.** To receive, consider and adopt the audited Balance Sheet for the financial year ended 31<sup>st</sup> March, 2018, together with the Profit and Loss Account for the financial year ended on that date along with schedules appended thereto and the Report of the Board of Directors and Auditors thereon.
- 2.** To appoint a Director in place of Ms. Poonam Ahuja (DIN: 05351468), who retires by rotation and being eligible, offers herself for re-appointment.

**By order of the Board**

For **DURGESH MERCHANTS LIMITED**

Sd/-

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

**Date: 26/06/2018**

**Place: New Delhi**

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.**

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

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

2. Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting along with their copy of Annual Report. No extra attendance slip and/or Annual Report will be provided at the venue of the Annual General Meeting. **Also, Route map to the venue of the meeting is enclosed.**
3. Corporate Members intending to send their authorized representative(s) are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
4. 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.
5. 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 19<sup>th</sup> July, 2018 to 25<sup>th</sup> July 2018 (both days inclusive) for the purpose of Annual General Meeting.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company M/s. Skyline Financial Services Pvt. Limited, (R&T Agent).
7. 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.
8. 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.
9. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
10. The ISIN of the Equity Shares of Rs.10/- each is INE616Q01011.
11. Electronic copy of the Notice of Annual General Meeting and Annual Report 2017-18 is being sent to all the members whose email IDs are registered with the Company/Depositories for communication purposes



unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Notice of Annual General Meeting and Annual Report 2017-18 is being sent in the permitted mode.

12. All the material documents, Resolutions, Memorandum and Articles of Association of the Company etc. are open for inspection to the members during the office hour of all working day till the conclusion of the Annual General Meeting at the registered office of the Company.
13. Members are requested to notify the change in address, if any, to the Company quoting their Folio Numbers, Name and number of share held by them etc.
14. 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.
15. For security reasons, no article/baggage will be allowed at the venue of the meeting.
16. 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.
17. All documents referred to in accompanying Notice and Explanatory Statement shall be open for inspection by members and shall be available at the registered office of the Company on all working days during business hours from the date of this Notice up to the date of AGM.
18. 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. 19<sup>th</sup> July, 2018, then the member may obtain Login ID and other e-Voting related details from the Company.
19. 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.
20. Additional information, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment /re-appointment at the AGM, is provided in their respective explanatory statement. The Directors being eligible, offers him for re-appointment as required under the Companies Act, 2013 and the Rules there under is also provided in the annexure to the Notice.

## **ANNEXURE TO THE NOTICE**

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

#### **Item No. 1**

#### **RE-APPOINTMENT OF MS. POONAM AHUJA AS A DIRECTOR OF THE COMPANY**

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

Ms. Poonam Ahuja was appointed as a Non-Executive Director w.e.f. 22 March, 2017.

**Information about the Appointee Directors:****Ms. Poonam Ahuja****Brief Profile:**

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

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

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

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

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

Name	Ms. Poonam Ahuja
Age	43 years
Name of the other Companies in which Directorship held	1. Servitude HR Solutions Private Limited 2. Lawmax Merchants Services Private Limited
Name of the other Companies in which Committee Membership held	NIL
Shareholding in the Company	NIL

**E-voting Instructions:**

Dear Member,

**Sub: Voting through electronic means**

Pursuant to the provision of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2015, Durgesh Merchants Limited ("the Company") is offering e-Voting facility to its members in respect of the business to be transacted at the Annual General Meeting scheduled to be held on Wednesday, the 25<sup>th</sup> day of July 2018 at 10:00 A.M. at registered office of the Company at D-220, Basement, Defence Colony, New Delhi-110024.

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

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

- Commencement of e-Voting: 22<sup>nd</sup> July, 2018 at 9:00 A.M.
- End of e-Voting: 24<sup>th</sup> July, 2018 till 5:00 P.M.
- The cut-off date for the purpose of e-Voting is 19<sup>th</sup> July 2017.

Please read the instructions printed overleaf before exercising the vote. This Communication forms an internal part of the Notice dated 26<sup>th</sup> June, 2018 for the Annual General Meeting scheduled to be held on Wednesday, the 25<sup>th</sup> day of July 2018. The Notice of the Annual General Meeting and this communication will also be available on the website of the Company.

### **Voting through electronic means**

- (i) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- (ii) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- (iii) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- (iv) The remote e-voting period commences on 22<sup>nd</sup> July, 2018 (9:00 AM) and ends on 24<sup>th</sup> July, 2018 (5:00 PM). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19<sup>th</sup> July, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (v) The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
    - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password.

The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
    - (iii) Click on Shareholder - Login
    - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of Durgesh Merchants Limited.
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote to the Scrutinizer through e-mail csmohitsinghal@gmail.com with a copy marked to evoting@nsdl.co.

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

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

<u><b>EVEN (Remote e-voting Event Number)</b></u>	<u><b>USER ID</b></u>	<u><b>PASSWORD/PIN</b></u>

Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- (ii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- (iii) If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- (iv) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (v) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 19<sup>th</sup> July, 2018.
- (vi) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e 19<sup>th</sup> July, 2018, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [durgeshmerchants@gmail.com](mailto:durgeshmerchants@gmail.com).
- (vii) However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using

“Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

- (viii) A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- (ix) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- (x) Mr. Mohit Singhal on behalf of M/s Mohit Singhal & Associates (Certificate of Practice Number: 15995) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- (xi) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of Ballot Paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- (xii) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (xiii) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchange.

**By order of the Board**

For **DURGESH MERCHANTS LIMITED**

**Sd/-**

**Praveen Prabhaker Tiwari**

**Company Secretary**

**Address: D-220, Basement,  
Defence Colony, New Delhi-110024**

**Date: 26<sup>th</sup> June, 2018**

**Place: New Delhi**

## **BOARD'S REPORT**

**To**  
**The Shareholders**  
**Durgesh Merchants Limited**

The Board of Directors hereby submits the report of business and operations of your Company ('the Company' or 'Durgesh Merchants Limited') along with Audited Financial Statements for the Financial Year ended on 31<sup>st</sup> March, 2018.

### **1. BACKGROUND**

The Company is a Non Deposit Accepting Non-Banking Finance Company ("NBFC"), holding a Certificate of Registration (B-14.03319), from the Reserve Bank of India ("RBI") dated September 11, 2015 .

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

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

### **3. FINANCIAL RESULTS**

<b>Particulars</b>	<b>Amount (Rs.) As at 31<sup>st</sup> March, 2018</b>	<b>Amount (Rs.) As at 31<sup>st</sup> March, 2017</b>
<b>Total Income</b>	1,750,654.00	1,691,676.00
Less: Total Expenditure	2,541,167.05	1,407,915.03
<b>Profit before Exceptional and Extraordinary items &amp; tax</b>	(790,513.05)	283,760.97
Less: Extraordinary & Prior period items	-	-

<b>Profit before tax</b>	<b>(790,513.05)</b>	<b>283,760.97</b>
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Less: Tax Expenses		
(1)Current tax	-	95,700.00
(2)Deferred Tax	-	(1,233.00)
(3)Previous year adjustments	8,396.00	(1,232.00)
<b>Profit/ (Loss) after tax</b>	<b>(7,821,17.05)</b>	<b>1,905,25.97</b>
<b>Earning Per Share</b>		
(1) Basic	(0.30)	0.071
(2) Diluted	(0.30)	0.071

Financial performance of the Company for the financial year ended 31<sup>st</sup> March, 2018 is summarized below:-

#### **4. OPERATIONAL PERFORMANCE**

During the year under review, the revenue reported is Rs.17,50,654 as compared to Rs. 16,91676 in the previous year. Profit before tax for the current year is Rs. (7,90,513.05) as compared to Rs. 2,83,760.97 in the previous year, Profit after tax for the current year is Rs. (7,82,117.05) as compared to Rs. 1,90,525.97 in the previous year.

#### **5. DIVIDEND**

In view of the loss incurred during the financial year ending 31<sup>st</sup> March 2018, the board decided not propose any dividend for the relevant Financial Year.

#### **6. RESERVES AND SURPLUS**

The Company has Rs. (3,08,040.59) in the Reserve and Surplus. Out of which, the Company has not transferred anything as required under Section 45-IC of RBI Act, 1934 to the Statutory Reserve due to insufficient profit.

#### **7. LISTING OF SECURITIES**

Since 2014, the securities of the Company are listed on the Calcutta Stock Exchange Limited and the Annual listing fees for the year 2017-18 has been duly paid to the Stock Exchange.

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

The Company does not have any Subsidiary.

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

#### **9. BRANCHES OF THE COMPANY**

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

## 10. DEPOSITS FROM PUBLIC

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

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

During the year under review, the Company has not entered into any contract or arrangement with the Related Parties as per Section 188 of the Companies Act, 2013 is included in this report as **Annexure - I** in name of AOC -2 (as referred in Act.)

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

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

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

### LIST OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

S. No.	Name	Designation	Date of Appointment
1.	Mr. Rohit Ahuja	Managing Director	30th May, 2017
2.	Mr. Kamal Ahuja	Director	06th April, 2017
3.	Ms. Jayanti Sharma	Director	29th September, 2014
4.	Ms. Poonam Ahuja	Director	22nd March, 2017
5.	Ms. Surbhi Sharda	Independent Director	22nd February, 2017
6.	Mr. Yash Malhotra	Independent Director	02nd January, 2017
7.	Mr. Krishan Kartik	Independent Director	29th January, 2015
8.	Mr. Vivek Sharma	Chief Financial Officer	18th September, 2017



9.	Mr. Praveen Prabhaker Tiwari	Company Secretary	19th May, 2016
10.	Mr. Rajender Pal Garg*	Director	27th July, 1989
11.	Ms. Sonia Khenduja**	Director	22nd March, 2017

**\*Mr. Rajender Pal Garg has resigned from the position of Directorship w.e.f. 29<sup>th</sup> March, 2017**

**\*\*Ms. Sonia Khenduja has resigned from the position of Directorship w.e.f. 6<sup>th</sup> April, 2017**

### **13. MEETINGS HELD DURING THE FINANCIAL YEAR 2017-2018**

The Agenda and Notice of the Meetings were circulated well in advance to the respective Directors. During the year under review, 9(Nine) Board Meetings, 4(Four) Audit Committee Meetings, 3 (Three) Nomination and Remuneration Committee, 1 (One) Independent Director's Committee Meeting, (NIL) Share Transfer Meeting and (NIL) Finance & Investment Committee Meeting, were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 i.e. the maximum interval between any two meetings did not exceed 120 days

### **14. COMPOSITION OF COMMITTEES OF THE BOARD AS ON 31ST March 2018:**

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

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

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

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

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

In compliance with provisions of 178(1) of the Companies Act, 2013, the purpose of the Committee is to screen and review individuals qualified to serve as executive directors, non-executive directors and

independent directors and to review their remuneration, consistent with criteria approved by the Board, and to recommend, for approval by the Board. The composition of Nomination and Remuneration Committee of the Company is as follows:

S. No.	Name of Member	Designation	Category
1.	Mr. Krishan Kartik	Chairman	Non- Executive Independent Director
2.	Ms. Jayanti Sharma	Member	Non- Executive Director
3.	Mr. Yash Malhotra	Member	Non- Executive Independent Director

#### **c) SHARE TRANSFER COMMITTEE:**

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

S. No.	Name of Member	Designation	Category
1.	Mr. Kamal Ahuja	Chairman	Non- Executive Director
2.	Ms. Jayanti Sharma	Member	Non- Executive Director
3.	Mr. Krishan Kartik	Member	Non-Executive Independent Director

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

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

S.No.	Name of Member	Designation	Category
1.	Mr. Krishan Kartik	Chairman	Non- Executive Independent Director
2.	Ms. Jayanti Sharma	Member	Non- Executive Director
3.	Mr. Kamal Ahuja	Member	Non- Executive Director

#### **15. DECLARATION BY INDEPENDENT DIRECTOR**

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

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

In terms of regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company familiarizes the Directors about their role and responsibility at the time of their appointment through a formal letter of appointment.

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

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

- 1.) in the preparation of annual accounts for the financial year ended 31<sup>st</sup> March, 2018, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- 2.) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Companies as at 31<sup>st</sup> March, 2018 and of the loss of the Company for the period ended on that date;
- 3.) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- 4.) the Directors have prepared the annual accounts on a going concern basis;
- 5.) the Directors have laid down proper internal financial controls to be followed by the Company and such internal financial control are adequate and operating effectively ; and the Directors had devised proper system to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively .

#### **18. CORPORATE GOVERNANCE**

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

#### **19. BOARD EVALUATION**

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

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

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

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

## 20. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Mohit Singhal & Associates (represented by Mr. Mohit Singhal), Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the Financial Year 2017-18. The Report of the Secretarial Auditor in Form MR-3 is annexed herewith as “**Annexure II**”, which forms part of the Board Report.

**Remarks 1:** In terms of the provision of Regulation 47 of the SEBI (Listing obligation and Disclosures requirements) Regulation, 2015, the company did not publish its Audited Financial Results for the financial year 2016-17 in the English as well as in vernacular language newspaper.

**Board Clarification:** The company inadvertently missed to publish the said requirement (within time) and further ensures (in both letter and spirit) to comply it in future within due time.

**Remarks 2:** In terms of the provision of Regulation 47 (4) of the SEBI (Listing obligation and Disclosures requirements) Regulation, 2015, the company did not published its newspaper publication in the language of the region, where the registered office of the company is situated.

**Board Clarification:** Inadvertently, the said newspaper publication is given in English language (in both newspapers), which would be taken care in future.

## **SECRETARIAL AUDITORS REPORT**

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

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

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

### **22. EXTRACT OF ANNUAL RETURN**

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

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

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

### **24. STATUTORY AUDITORS**

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

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

### **25. STATUTORY AUDITORS' REPORT**

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

### **26. PARTICULARS OF EMPLOYEES**

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

- (i). The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year 2017-18:

<b>S.No.</b>	<b>Directors*</b>	<b>Ratio to median remuneration</b>
1.	Mr. Krishan Kartik	NIL
2.	Mr. Kamal Ahuja	NIL
3.	Mr. Rohit Ahuja	NIL
4.	Ms. Jayanti Sharma	NIL
5.	Mr. Yash Malhotra	NIL
6.	Ms. Surbhi Sharda	NIL
7.	Ms. Poonam Ahuja	NIL

\*Note :-

(i). None of the Director Receive any Remuneration from the Company.

(ii). As of 31<sup>st</sup> March,2018, total no. of permanent employees on the roll of the Company: 5

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

(iv).The Company affirms that remuneration given to employees is as per the remuneration policy of the Company.

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

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

The Details of top ten employees in terms of remuneration drawn are attached in this Board's Report as **Annexure-V**.

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

## **28.HUMAN RESOURCES**

The Company recognizes people as its most valuable asset and it has built an open, transparent and meritocratic culture to nature this asset. The Company has kept a sharp focus on Employee Engagement. The Company's Human Resources is commensurate with the size, nature and operation

of the Company. It looks at the employees entire life cycle, to ensure timely interventions and help build a long-lasting and fruitful career.

## **29. CORPORATE POLICY**

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

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

### **The Key Policies are as follows**

<b>Name of the Policy</b>	<b>Brief Description</b>
<b>Vigil Mechanism/Whistle Blower Policy</b>	This policy has been established with a view to provide a tool to Directors and Employees of the Company to report to Management, genuine concerns including unethical behavior, actual or suspected fraud or violation of the code or the policy. The Policy also provides for adequate safeguards against victimization of Director(s)/Employee(s) who avail of the mechanism and also provides for direct access to the chairman of the Audit Committee in exceptional cases.
<b>Risk Management Policy</b>	This Policy represents the basic standards of Risk Assessment to be followed by the Company. Changes in the Policy will become effective upon approval by the Board of Directors of the Company. All relevant employees must be thoroughly familiar or made familiar with it and make use of the material contained in this Policy.

<p><b>Remuneration Policy</b></p>	<p>The Board, on the recommendation of Nomination and Remuneration Committee, has framed and adopted a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration.</p>
<p><b>Policy for determining materiality of event or Information</b></p>	<p>The Objective of this policy is to outline the guidelines to be followed by the Company for consistent, transparent and timely public disclosures of material information events/information and to ensure that such information is adequately disseminated to the stock Exchange(s) where the securities of the Company are listed in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.</p>
<p><b>Policy of Preservation of Records</b></p>	<p>This policy sets the Standards for classifying, managing and storing the records of the Company. The purpose of this policy is to establish framework for effective records Management and the process for Subsequent archival of such records.</p>
<p><b>KYC and AML Policies</b></p>	<p>This policy is made to prevent criminal elements from using Company for money laundering activities and to enable the Company to know/ understand its customers and their financial dealings better which, in turn, would help the Company to manage risks prudently.</p>



<b>Sexual Harassment Policy</b>	As required under the Sexual Harassment of women at Workplace (Prohibition, Prevention and Redressal) Act, 2013, the Company has policy on prevention of Sexual harassment of women at workplace and matters connected therewith.
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### **30. REPORT UNDER THE PREVENTION OF SEXUAL HARASSMENT ACT, 2013**

The Board confirms that no complaints/ cases has been filed / pending with the Company under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the financial year 2017-18.

### **31. DISCLOSURE ABOUT COST AUDIT**

As per the Cost Audit Orders, Cost Audit is not applicable to the Company's for the FY 17-18.

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

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

### **33. EMPLOYEE STOCK OPTIONS DETAILS**

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

### **34. MANAGEMENT DISCUSSIONS AND ANALYSIS**

The Management Discussion and Analysis forms part of this Annual Report for the year ended 31<sup>st</sup> March 2018 and is annexed as **Annexure- IV** of this Annual Report for the reference of the stakeholders.

### **35. INTERNAL AUDIT & CONTROL**

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

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

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

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

### **37. ACKNOWLEDGEMENT AND APPRECIATION**

Your Directors would like to express their grateful appreciation for assistance and cooperation received from the Banks, Government Authorities, Customers, Vendors and Members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services of the Executives, staff and workers of the Company at all levels.

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

**Sd/-**

**Kamal Ahuja  
Director  
DIN: 00005195**

**Date: 26.06.2018**

**Place: New Delhi**

**Sd/-**

**Rohit Ahuja  
Managing Director  
DIN:07859817**

**Form No. AOC-2**

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

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

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

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

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

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

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

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

**Sd/-  
Rohit Ahuja  
Director  
DIN:07859817**

**Date: 26.06.2018  
Place: New Delhi**

## FORM NO. MGT 9

**EXTRACT OF ANNUAL RETURN**  
**(As on financial year ended on 31.03.2018)**

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

**I. REGISTRATION & OTHER DETAILS**

i.	CIN	L65923DL1984PLC248322
ii.	Registration Date	27 <sup>th</sup> December, 1984
iii.	Name of the Company	Durgesh Merchants Ltd.
iv.	Category/Sub-category of the Company	Company limited by Shares
v.	Address of the Registered office and Contact details	D-220, Basement, Defence Colony, New Delhi-110024
vi.	Whether listed Company	Yes
vii.	Name, Address & contact details of the Registrar & Transfer Agent, if any	Skyline financial Services Private Limited D-153 A, 1 <sup>st</sup> Floor, Okhla Industrial Area, Phase- I, New Delhi- 110020 011 -64732681/ 82/83

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

<b>Name &amp; Description of main products/services</b>	<b>NIC Code of the Product /service</b>	<b>% to total turnover of the Company</b>
Non-mortgage loan services for business purposes n.e.c.	99711359	99.79%

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

Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
-	-	-	-	-

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

#### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	452500	115600	568100	21.28	568100	0	568100	21.28	0
b) Central Govt. or State Govt.	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Bank/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL:(A) (1)</b>	<b>452500</b>	<b>115600</b>	<b>568100</b>	<b>21.28</b>	<b>568100</b>	<b>0</b>	<b>568100</b>	<b>21.28</b>	<b>0</b>

<b>(2) Foreign</b>									
a)NRI-Individuals	0	0	0	0	0	0	0	0	0
b)Other Individuals	0	0	0	0	0	0	0	0	0
c)Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e)Any other	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>452500</b>	<b>115600</b>	<b>568100</b>	<b>21.28</b>	<b>568100</b>	<b>0</b>	<b>568100</b>	<b>21.28</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0.00
b) Banks/FI	0	0	0	0	0	0	0	0	0.00
C) Central govt.	0	0	0	0	0	0	0	0	0.00
d)State Govt.	0	0	0	0	0	0	0	0	0.00

e) Venture Capital Fund	0	0	0	0	0	0	0	0	0.00
f)Insurance Companies	0	0	0	0	0	0	0	0	0.00

g) FIIS	0	0	0	0	0	0	0	0	0.00
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
i) Others (Individual)	0	0	0	0	0	0	0	0	0.00
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>(2) Non Institution</b>									
a) Bodies corporate									
i) Indian	365,000	4,000	369,000	13.83	290,000	4,000	294,000	11.01	(20.32)
ii) Overseas	0	0	0	0	0	0	0	0	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	0	334,671	334,671	12.53	0	334,671	334,671	12.53	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	1,058,500	0	1,058,500	39.64	1,133,500	0	1,133,500	42.45	7.085
c) Others									

(HUF)	298,000	41,729	339,729	12.72	298,000	41,729	339,729	12.72	0
Body corporates	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(2):</b>	<b>1721500</b>	<b>380400</b>	<b>2101900</b>	<b>78.72</b>	<b>1721500</b>	<b>380400</b>	<b>2101900</b>	<b>78.72</b>	<b>0</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>1721500</b>	<b>380400</b>	<b>2101900</b>	<b>78.72</b>	<b>1721500</b>	<b>380400</b>	<b>2101900</b>	<b>78.72</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0.00
<b>Grand Total (A+B+C)</b>	<b>2174000</b>	<b>496000</b>	<b>2670000</b>	<b>100</b>	<b>2289600</b>	<b>380400</b>	<b>2670000</b>	<b>100</b>	<b>0.00</b>



**(ii) Shareholding of promoters**

S. No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No of Shares	% of total Shares of the Company	% of shares Pledged encumbered	No of shares	% of total shares of the Company	% of shares pledged encumbered to total shares	% change in share holding during the year
1.	Kamal Ahuja	568,100	21.28	0	568,100	21.28	0	000

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

Particulars	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the
At the beginning of the year	568,100	21.28	568,100	21.83
Shares already held by the proposed Acquirer	-	-	-	-

At the end of the year	568,100	21.28	568,100	21.83
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**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1.	<b>BAZEL INTERNATIONAL LIMITED</b>				
	<b>At the beginning of the year</b>	265,000	9.93	265,000	9.93
	(acquisition of shares)	25,000	0.94	25,000	0.94
	<b>At the End of the year</b>	290,000	10.86	290,000	10.86
2	<b>Pankaj Dawar</b>				
	<b>At the beginning of the year</b>	0	0	0	0
	(acquisition of shares)	100,000	3.75	100,000	3.75
	<b>At the End of the year</b>	100,000	3.75	100,000	3.75
3.	<b>Ashok Jain</b>				
	<b>At the beginning of the year</b>	100,000	3.75	100,000	3.75
	(acquisition of shares)	0	0	0	0
	<b>At the End of the year</b>	100,000	3.75	100,000	3.75

4.	<b>Ravinder Kumar</b>				
	<b>At the beginning of the year</b>	75,000	2.81	75,000	2.81
	(acquisition of shares)	0	0	0	0
	At the End of the year	75,000	2.81	75,000	2.81
5	<b>HARINDER SINGH KALRA</b>				
	<b>At the beginning of the year</b>	75,000	2.81	75,000	2.81
	(acquisition of shares)	0	0	0	0
	At the End of the year	75,000	2.81	75,000	2.81
6	<b>NILAM MILAN SHAH</b>				
	<b>At the beginning of the year</b>	54,000	2.02	54,000	2.02
	(acquisition of shares)	0	0	0	0
	At the End of the year	54,000	2.02	54,000	2.02
7	<b>JAYSHREEBEN SHARADKUMAR SHAH</b>				
	<b>At the beginning of the year</b>	54,000	2.02	54,000	2.02
	(acquisition of shares)	0	0	0	0
	At the End of the year	54,000	2.02	54,000	2.02
8	<b>MAMTABEN DIPESHKUMAR SHAH</b>				

	<b>At the beginning of the year</b>	54000	2.02	54,000	2.02
	(acquisition of shares)	0	0	0	0
	At the End of the year	54,000	2.02	54,000	2.02
9	<b>RAJESHKUMAR MOHANLAL SHAH</b>	54,000	2.02	54,000	2.02
	(acquisition of shares)	0	0	0	0
	At the End of the year	54,000	2.02	54,000	2.02
10	<b>SHARAD MOHANLAL SHAH</b>	54,000	2.02	54,000	2.02
	(acquisition of shares)	0	0	0	0
	At the End of the year	54,000	2.02	54,000	2.02

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

SI. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1.	<b>Praveen Prabhaker Tiwari (Company Secretary and Compliance Officer)</b>				
	At the beginning of the year	1	0	1	0

	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease(e.g.allotment/transfer/bonus/sweat equity etc.)	0	0	0	0
	<b>At the end of the year</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>
<b>2.</b>	<b>Kamal Ahuja(Director)</b>				
	At the beginning of the year	568,100	21.28	568,100	21.28
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease(e.g.allotment/transfer/bonus/sweat equity etc.)	0	0	0	0
	<b>At the end of the year</b>	<b>568,100</b>	<b>21.28</b>	<b>568,100</b>	<b>21.28</b>
<b>3.</b>	<b>Surbhi Sharda(Director)</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>0</b>
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease(e.g.allotment/transfer/bonus/sweat equity etc.)	0	0	0	0
	<b>At the end of the year</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>0</b>
<b>4.</b>	<b>Yash Malhotra(Director)</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease(e.g.allotment/transfer/bonus/sweat equity etc.)	0	0	0	0
	<b>At the end of the year</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>

**(V) INDEBTEDNESS**

<b>Indebtedness of the Company including interest outstanding/accrued but not due for payment</b>				
<b>Particulars</b>	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	2,45,802	0	2,45,802
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>2,45,802</b>	<b>0</b>	<b>2,45,802</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	0	8,428,416	0	8,428,416
Reduction	0	0	0	0
<b>Net Change</b>	<b>0</b>	<b>8,428,416</b>	<b>0</b>	<b>8,428,416</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	8,674,218	0	8,674,218
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>8,674,218</b>	<b>0</b>	<b>8,674,218</b>

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole time Director and/or Manager:**

<b>Sl. No.</b>	<b>Name of the MD/WTD/Manage</b>	<b>N.A.</b>	<b>Total Amount</b>
<b>1</b>	<b>Gross salary</b>		

	(a) Salary as per provisions contained in section 17(1) of the Income Tax 1961	0	0
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0
2	Stock option		
3	Sweat Equity	0	0
4	Commission	0	0
	as % of profit	0	0
	others (specify)	0	0
5	Others, please specify	0	0
	<b>Total (A)</b>	0	0
	<b>Ceiling as per the Act</b>	5% of profit calculated as per Section 198 of Companies Act, 2013	5% of profit calculated as per Section 198 of Companies Act, 2013

**B. Remuneration to other Directors:**

SI. No.	Particulars of Remuneration		Name of the Directors*		Total Amount	
1	Independent Directors	Krishan Katik	Yash Malhotra	Surbhi Sharda	0	
	(a) Fee for attending Board committee meetings	0	0	0	0	
	(b) Commission	0	0	0	0	
	(c ) Others, please specify	0	87,850	238,698	<b>326,818</b>	
	<b>Total (1)</b>	0	0	0	0	
2	Other Non-Executive Directors	Jayanti Sharma	Rohit Ahuja	Poonam Ahuja	Kamal Ahuja	0

(a) Fee for attending board committee meetings	0	0	0	0	0
(b) Commission	0	0	0	0	0
(c) Others, please specify.	0	0	0	0	0
<b>Total (2)</b>	0	0	0	0	0
<b>Total (B)=(1+2)</b>	0	0	87,850	238,698	0
<b>Total Managerial Remuneration</b>	0	0	<b>87,850</b>	<b>238,698</b>	<b>326,818</b>
<b>Overall Ceiling as per the Act.</b>	3% of profit calculated as per Section 198				3% of profit calculated as per Section 198

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



SI. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	<b>Gross Salary</b>				
	(a) Salary as per provisions contained in section 17(1) of Income Tax Act, 1961	0	5,26,681	68,033	594,714
	(b) Value of perquisites u/s 17(2)	0	0	0	0
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission -as % of profit -others, specify	0	0	0	0
5	Others, please specify	0	0	0	0
	<b>Total</b>	0	5,26,681	68,033	<b>594,714</b>

## VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

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

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

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

**Sd/-  
Rohit Ahuja  
Managing Director  
DIN:07859817**

**Date: 26.06.2018  
Place: New Delhi**

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018**

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

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2018 (the audit period), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; ***(Not applicable to the Company during the Audit Period)***
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; ***(Not Applicable to the Company during the Audit Period)***
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; ***(Not Applicable to the Company during the Audit Period)***

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (*Not Applicable to the Company during the Audit Period*) and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. (*Not Applicable to the Company during the Audit Period*)

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with The Calcutta Stock Exchange read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc., mentioned above except to the extent as mentioned below:-

- i. *Whereas in terms of the provision of Regulation 47 of the SEBI (Listing Obligation and Disclosures Requirements) Regulation, 2015, the Company did not publish its Audited Financial Results for the financial year 2016-2017 in English as well as in vernacular language newspaper;*
- ii. *Whereas in terms of the provision of Regulation 47 (4) of the SEBI (Listing Obligation and Disclosures Requirements) Regulation, 2015, the Company did not published its newspaper publication in the language of the region, where the registered office of the listed entity is situated;*

**I further report that,**

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board of Directors were unanimous and no dissenting views have been recorded.

I further report that based on the review of the compliance reports/certificates of the Company Secretary which were taken on record by the Board of Directors, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company following specific events/actions having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards etc. referred to above.

**For Mohit Singhal & Associates  
Company Secretaries**

**Place: New Delhi  
Date: 24<sup>th</sup> July, 2018**

**Sd/-  
Mohit Singhal  
Proprietor  
ACS No.: 43204  
CP No.: 15995**

**This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.**

**'Annexure A'**

**To,  
The Members  
Durgesh Merchants Limited**

Our report of even date is to be read along with this letter.

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

**For Mohit Singhal & Associates  
Company Secretaries**

**Place: New Delhi  
Date: 24<sup>th</sup> July, 2018**

**Sd/-  
Mohit Singhal  
Proprietor  
ACS No.: 43204  
CP No.: 15995**

## **MANAGEMENT DISCUSSION & ANALYSIS**

Durgesh Merchants Limited is a Non-Banking Finance Company (NBFC) and is engaged in Non-mortgage loan services for business purposes it is one of the growing NBFC's in the Country and offers wide range of financial services to many sectors. The Company offers Credit facilities to individual and business clients. It offers business loans and fulfills working capital requirement of individual and body corporate.

The Company has established its own norm for evaluating different needs of its clients and providing appropriate payment options.

### **BUSINESS ENVIRONMENT OVERVIEW**

Financial year 2017-18 began on a positive note. India closed financial year 2017 with growth in real GDP of 6.7% and a growth in gross value added (GVA) of 6.1%. Despite two disconcerting facts-namely, the high level and proportion of the Banking Sector's non-performing assets coupled with a muted growth in bank credit – there were expectations of India achieving growth rate somewhere between 7.1% and 7.5% in F.Y. 2018.

Unfortunately, that has not occurred. The second advance estimates of national income forecast by the central statistics office released in January 2018 suggest a real GDP growth of 7.1 % by F.Y. 2018 and real gross value added growth of 6.7%. Both estimates are significantly lower than what the economy achieved in the previous year.

Non-Banking Financial Companies (NBFCs) continued to grow their share in the financial services industry. As per RBI in its Financially Stability Report, NBFCs have outperformed Scheduled Commercial Banks growth in advances and asset quality.

We believe that the growth of NBFCs will result in their share in financial services sector increasing in the near future.

### **BUSINESS UPDATE**

The revenue from operations during the financial year 2017-18 is Rs. 1,750,654 as compared to Rs. 1,691,676.00 in the previous financial year. The Financial performance of the company is in herein below along with the chart which plots the profit after tax over last two years.

<b>Particulars</b>	<b>Amount (Rs.) as at 31<sup>st</sup> March, 2018</b>	<b>Amount (Rs.) as at 31<sup>st</sup> March, 2017</b>
<b>Total Income</b>	1,750,654.00	1,691,676.00
Less: Total Expenditure	2,541,167.05	14,07,915.03
<b>Profit before Exceptional and Extraordinary items &amp; tax</b>	(790,513.05)	283761.97
Less: Extraordinary & Prior period items	-	-

<b>Profit before tax</b>	<b>(790,513.05)</b>	<b>283761.97</b>
Less: Tax Expenses		
(1)Current tax	-	95,700
(2)Deferred Tax	-	1,233
(3)Previous year adjustments	8396	1,232
<b>Profit/ (Loss) after tax</b>	<b>(7,82,117.05)</b>	<b>1,90,525.97</b>
<b>Earning per share (EPS)</b>		
(1) Basic	(0.30)	0.071
(2) Diluted	(0.30)	0.071

### **INTERNAL CONTROL SYSTEM**

Company has an independent internal management function that is commensurate with the size and scale of the Company. It evaluates the adequacy of all internal controls, its processes and ensures strict adherence to clearly laid down processes as well as to the prescribed regulatory and legal framework.

### **OPPORTUNITIES AND THREATS**

Over the years, your company has achieved an appropriate balance between risk and returns by setting up as efficient risk mitigation system to meet various forms of financial and other risks. The primary risks that the company is exposed to credit risk, market risk and operational risk. Deriving from the long years of experience in NBFC sector your company's credit policy framework is designed to provide the right balance between business growth and portfolio quality.

### **RISK MANAGEMENT**

Durgesh Merchants Limited identifies its various operational risks inherent under its business model. The operational risks arise out of an inadequate or failed internal process, people and its systems. The Company has formed a proper Risk Management Committee which effectively identifies, measure, report, monitor and control such operational risks.

### **HUMAN RESOURCES**

Company has always emphasized on its people considering them as most valuable resource. In present scenario where competition prevails, it is a necessity to focus on attracting and retaining the right talent. It provides equal opportunity to employees to deliver results and to achieve higher performance in their respective assignments and company can get overall benefit.

### **FUTURE STRATEGY**

NBFC's has proven their tenacity in many other specialized financial services such as factoring, lease finance, venture capital finance, and in the business of securitized based lending such as IPO Financing, Promoter funding etc. They have also been providing a major boost in Micro, Small and Medium enterprises and other avenues where banks exercise cautious lending. All the above factors emphasize the potential and



opportunities in store for NBFC's and the regulations when designed to provide the right environment provides impetus to the growth of the sector.

The Company hence wishes to diversify its lending activities in the coming period and shall embark on this path and move forward once the existing investments which are at an incubating stage begin to bear fruits.

#### **CAUTIONARY STATEMENT**

Statement in Management and Discussion Analysis Report describing the Company's future projections, expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed. Important factors that could influence the company's operations include economic and political conditions in which the company operates interest rate fluctuations, changes in Government/RBI regulations, Tax Laws, other statutes and incidental factors.

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

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

**Sd/-  
Rohit Ahuja  
Managing Director  
DIN:07859817**

**Date: 26.06.2018  
Place: New Delhi**

**Annexure IV**

Name	Designation	Remuneration received	Nature of employment	Qualifications and experience	Date of commencement of employment	Age (In years)	The last employment held by such employee before joining the Company	The Number of equity shares held in the company	Whether the employee is a relative of any Director of the Company
Yakub Kullu	Employee	1,15,000	Permanent	Graduate	7/7/1978	40	-	NIL	No
Praveen Prabhaker Tiwari	Company Secretary and Compliance Officer	5,26,681	Permanent	CS.	19/05/2016	28	-	1	No
Manish Saini	Employee	75,321	Permanent	Graduate	1/09/1989	29	-	NIL	No
Yash Malhotra	Employee	87,850	Permanent	CS.	02/01/2017	29	-	1	No
Surbhi Sharda	Employee	238,698	Permanent	CS.	22/02/2017	26	-	3	No

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF DURGESH MERCHANTS LIMITED**

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of DURGESH MERCHANTS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2018, and its Loss, and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), we give in the Annexure 'I' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) In our opinion, the company has, in all material respects reasonably adequate internal financial controls system over financial reporting, keeping in view the size of the company, and nature of its business. Such Internal financial controls over the financial reporting were operating effectively as on 31.03.2018, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note "Audit of Internal Financial Controls Over Financial Reporting" issued by The Institute of Chartered Accountants of India.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations on its financial position in its financial statements.
    - ii. According to the information and explanations provided to us, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

**PLACE : DELHI**

**DATED: 30<sup>th</sup> May, 2018**

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

**ANNEXURE - I REFERRED TO IN PARAGRAPH 1 OF THE AUDITORS' REPORT ON ACCOUNTS FOR THE  
YEAR ENDED 31st MARCH, 2018**

1. a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.  
  
c) According to information & explanation given to us, company does not have any immovable property.
2. As explained to us physical verification has been conducted by the management at reasonable intervals in respect of its inventories. The discrepancies noticed on such verification between the physical stocks and book records were not significant and the same have been properly dealt with in the books of account.
3. As informed to us the company has not granted loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.
4. According to the information and explanations given to us, the company has complies with section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security provided.
5. According to the information and explanations given to us the company has not accepted any deposits, in terms of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
6. In respect of business activities of the company, maintenance of cost records has not been specified by the Central Government under sub-section (l) of section 148 of the Companies Act 2013.
7. a) As per information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees 'state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There are no outstanding statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable.  
  
b) We According to information and explanations given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess, Octroi, entry tax and other statutory dues which have not been deposited on account of any dispute.
8. The company has not obtained any loan from Financial Institution, Banks, and Government during the period under Audit. The Company has not issued any debentures.
9. The company has not obtained any Term Loans during the year under audit .The company has not raised any money during the year by way initial or further public offer.
10. Based upon the audit procedures performed and information and explanations given by the management, we report that, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of our audit for the year ended 31.03.2018.
11. According to the information and explanations given to us, the company has not provided any managerial remuneration for the period under audit.

12. The provisions of clause (xii) of the order are not applicable as the company is not a Nidhi Company as specified in the clause.
13. According to information and explanations given to us we are of the opinion that Company has not entered into any related party transaction for the period under audit.
14. According to information and explanations given to us the company has not made any preferential allotment or private placement of shares or debentures during the year.
15. According to information and explanation given to us the company has not entered into any non-cash transaction with the director or any person connected with him during the year.
16. According to the information and explanations given to us, In view of its business activities, the company has obtained registration under section 45IA of Reserve Bank of India Act, 1934.

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

**Sd/-**

**PLACE : DELHI  
DATED :30<sup>th</sup> May,2018**

**(K.K. GUPTA)  
PARTNER  
M.No. 087891**

## DURGESH MERCHANTS LIMITED

### BALANCE SHEET AS AT 31st MARCH, 2018

PARTICULARS	Notes	AS AT 31.03.2018 Rs.	AS AT 31.03.2017 Rs.
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#### EQUITY & LIABILITIES

##### SHAREHOLDERS' FUNDS

SHARE CAPITAL	2	26,700,000.00	26,700,000.00
RESERVES & SURPLUS	3	(308,040.59)	494,576.46
		<b>26,391,959.41</b>	<b>27,194,576.46</b>

##### NON CURRENT LIABILITIES

Long Term Provision	4	71,600.00	51,100.00
		<b>71,600.00</b>	<b>51,100.00</b>

##### CURRENT LIABILITIES

SHORT TERM BORROWINGS	5	8,674,218.00	245,802.00
OTHER CURRENT LIABILITIES	6	703,326.77	338,619.36
SHORT TERM PROVISION	7	0.00	0.00
		<b>9,377,544.77</b>	<b>584,421.36</b>

#### **TOTAL**

<b>35,841,104.18</b>	<b>27,830,097.82</b>
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#### ASSET

##### NON CURRENT ASSETS

FIXED ASSETS			
TANGIBLE ASSETS	8	13,856.00	28,583.00
INVESTMENTS	9	6,659,925.00	6,659,925.00
		<b>6,673,781.00</b>	<b>6,688,508.00</b>



PARTICULARS	Notes	AS AT 31.03.2018 Rs.	AS AT 31.03.2017 Rs.
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**CURRENT ASSETS**

INVENTORY	10	0.00	100,000.00
CASH & CASH EQUIVALENTS	11	355,536.98	553,763.82
SHORT TERM LOANS & ADVANCES	12	28,811,786.20	20,487,826.00
		29,167,323.18	21,141,589.82
<b>TOTAL</b>		<b>35,841,104.18</b>	<b>27,830,097.82</b>

**Significant Accounting Policies**

The accompanying NOTES form an integral part of these financial statements.

In terms of our report of even date annexed

**For KRISHAN RAKESH & CO.  
CHARTERED ACCOUNTANTS**

Sd/-  
**K.K. GUPTA**  
PARTNER

Sd/-  
**Rohit Ahuja**  
Managing Director  
DIN-07859817

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

Sd/-  
**Manish Saini**  
CFO

Sd/-  
**Praveen  
Prabhaker  
Tiwari**  
Company  
Secretary

PLACE : DELHI  
DATED :30<sup>th</sup> May,2018

## **DURGESH MERCHANTS LIMITED**

### **STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH,2018**

<b>PARTICULARS</b>	<b>Notes</b>	<b>YEAR ENDED 31.03.2018 Rs.</b>	<b>YEAR ENDED 31.03.2017 Rs.</b>
<b><u>REVENUE</u></b>			
REVENUE FROM OPERATIONS	13	1,747,016.00	1,684,343.00
OTHER INCOME	14	3,638.00	7,333.00
<b>TOTAL REVENUE</b>		<b>1,750,654.00</b>	<b>1,691,676.00</b>
<b><u>EXPENDITURE</u></b>			
PURCHASE OF SHARES		0.00	100,000.00
CHANGE IN INVENTORY	15	100,000.00	(100,000.00)
EMPLOYEE BENEFITS EXPENSES	16	1,212,898.00	628,268.00
FINANCE COSTS	17	140,535.00	119,425.00
DEPRECIATION & AMORTIZATION EXPENSE	8	14,727.00	26,853.00
OTHER EXPENSES	18	1,073,007.05	633,369.03
<b>TOTAL EXPENSES</b>		<b>2,541,167.05</b>	<b>1,407,915.03</b>
<b>PROFIT / ( LOSS ) BEFORE EXCEPTIONAL &amp; EXTRAORDINARY ITEMS &amp; TAX</b>		<b>(790,513.05)</b>	<b>283,760.97</b>
<b>TAX EXPENSES:</b>			
<b><u>CURRENT TAX</u></b>			
CURRENT YEAR		0.00	95,700.00
INCOME TAX ADJ EARLIER YEAR		8,396.00	1,232.00
<b><u>DEFERRED TAX</u></b>			
CURRENT YEAR		0.00	1,233.00
<b>PROFIT FOR THE YEAR</b>		<b>(782,117.05)</b>	<b>190,525.97</b>

PARTICULARS	Notes	YEAR ENDED 31.03.2018 Rs.	YEAR ENDED 31.03.2017 Rs.
Add: Contingent Provisions against Standard Assets		51,100.00	132,462.00
Less: Contingent Provisions against Standard Assets		71,600.00	51,100.00
Profit T/F to Balance Sheet		<b>(802,617.05)</b>	271,887.97
<b>EARNING PER SHARE (BASIC / DILUTED) ( Rs.)</b> <b>(After Contingent Provisions)</b>		<b>(0.30)</b>	0.10

**Significant Accounting Policies**

The accompanying NOTES form an integral part of these financial statements.

**For KRISHAN RAKESH & CO.  
CHARTERED ACCOUNTANTS**

Sd/-  
**K.K. GUPTA**  
PARTNER

Sd/-  
**Rohit Ahuja**  
Managing Director  
DIN-07859817

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

Sd/-  
**Manish Saini**  
CFO

Sd/-  
**Praveen  
Prabhaker  
Tiwari**  
Company  
Secretary

PLACE : DELHI  
Date-30<sup>th</sup> May,2018

## **DURGESH MERCHANTS LIMITED**

PARTICULARS		AS AT 31.03.2018 Rs.	AS AT 31.03.2017 Rs.
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### **NOTE - 2 : SHARE CAPITAL**

#### **Authorised**

40,00,000 Equity Shares of Par Value of Rs. 10/- each

(Previous Year 40,00,000 Shares of Par Value of Rs.10/- each)

**40,000,000.00**    40,000,000.00

#### **Issued, Subscribed & paid up**

26,70,000 Equity Shares of Par Value of Rs 10/- each

(Previous Year 26,70,000 Shares of Par Value of Rs.10/- each)

**26,700,000.00**    26,700,000.00

<b>26,700,000.00</b>	26,700,000.00
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a) The reconciliation of number of shares outstanding and the amount of Share Capital as at the opening and closing dates is set out below:

PARTICULARS	No. of Shares	No. of Shares
<b>No. of Shares outstanding at the beginning of the period</b>	<b>2,670,000.00</b>	2,670,000.00
Addition during the year	<b>0.00</b>	0.00
<b>No. of Shares outstanding at the end of the period</b>	<b>2,670,000.00</b>	2,670,000.00

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

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

Person		% age No. of shares (2017-18)	% age No. of shares (2016-17)
Kamal Ahuja		<b>568100 ( 21.28%)</b>	568100 ( 21.28%)
BAZEL INTERNATIONAL LIMITED		<b>290000 ( 10.86%)</b>	290000 ( 10.86%)

d) Bonus Shares issued during the last 5 Years:-

The company has not issued any bonus shares during the period of last 5 years

PARTICULARS	AS AT 31.03.2018 Rs.	AS AT 31.03.2017 Rs.
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**NOTE - 3 : RESERVES & SURPLUS**

**Statutory Reserve**

As per Last balance Sheet	321,093.30	266,093.30
Transferred During The Year	0.00	55,000.00
	321,093.30	321,093.30

**Surplus**

As per Last balance Sheet	173,483.16	(43,404.81)
Add: Net Profit after Tax transferred from Statement of Profit & Loss	(802,617.05)	271,887.97
	(629,133.89)	228,483.16
Less: Transferred to Statutory Reserve	0.00	55,000.00
Balance c/f	(629,133.89)	173,483.16
	(308,040.59)	494,576.46

PARTICULARS	AS AT 31.03.2018 Rs.	AS AT 31.03.2017 Rs.
-------------	----------------------------	----------------------------

**NOTE -4 LONG TERM PROVISION**

**Contingent Provision Against Standard Assets**

At the beginning of the year	51,100.00	132,462.00
Add: during the year	71,600.00	51,100.00
Less Earlier year Transfer (opening)	51,100.00	132,462.00
	71,600.00	51,100.00

**NOTE- 5 : SHORT TERM BORROWINGS**

**Unsecured Loans**

From Limited Companies	8,674,218.00	245,802.00
	8,674,218.00	245,802.00

**NOTE - 6 : OTHER CURRENT LIABILITIES**

Expenses Payable	226,488.03	332,713.36
TDS Payable	14,054.00	5,906.00
Book Overdraft - Kotak Mahindra Bank	462,784.74	0.00
	<b>703,326.77</b>	<b>338,619.36</b>

**NOTE - 07: SHORT TERM PROVISION****For Income tax**

As per last balance sheet	0.00	58,700.00
Additions during the year	0.00	95,700.00
Adjustment during the year	0.00	(58,700.00)
Paid during the year	0.00	(95,700.00)
	<b>0.00</b>	<b>0.00</b>

PARTICULARS	AS AT 31.03.2018 Rs.	AS AT 31.03.2017 Rs.
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**NOTE - 09 : NON CURRENT INVESTMENTS****QUOTED****Long Term Investments****Other Than Trade Investments**

2,67,000 (2,67,000) Equity Shares of Bazel International of Rs. 10/- each fully paid -up	6,350,000.00	6,350,000.00
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**UNQUOTED**

26,950 ( 26,950 ) Equity Shares of Jainsons Rugs International Private Limited of Rs. 10/- each fully Paid up.	309,925.00	309,925.00
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<b>6,659,925.00</b>	<b>6,659,925.00</b>
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**Unquoted Investments**

Book Value	309,925.00	309,925.00
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**Quoted Investments**

Book / Market Value	6,350,000.00	6,350,000.00
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a) Non-Current investments have been valued considering the significant accounting policy no.1 (v) disclosed in Note no. 1 to these financial statement.

b) Figures in bracket represent previous year figures.

PARTICULARS	AS AT 31.03.2018 Rs.	AS AT 31.03.2017 Rs.
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**NOTE - 10 : INVENTORY**

Shares Stock	0.00	100,000.00
	0.00	100,000.00

**NOTE - 11 : CASH & BANK BALANCES**

**Cash & Cash Equivalents**

Balances With Banks - in current accounts	19,557.50	62,364.34
Cash on hand	335,979.48	491,399.48
	355,536.98	553,763.82

**NOTE - 12 : SHORT TERM LOANS AND ADVANCES**

(Unsecured Considered good unless otherwise stated)

Balance with Revenue Authorities	29,503.20	0.00
Advances	28,616,792.00	20,415,310.00
I.Tax Advances	165,491.00	72,516.00
	28,811,786.20	20,487,826.00

**NOTE - 13 : REVENUE FROM OPERATIONS**

Interest Income	1,747,016.00	1,684,343.00
	1,747,016.00	1,684,343.00

**NOTE - 14 : OTHER INCOME**

Interest on Income Tax Refund	3,638.00	7,333.00
	3,638.00	7,333.00

PARTICULARS	AS AT 31.03.2018 Rs.	AS AT 31.03.2017 Rs.
-------------	----------------------------	----------------------------

**NOTE - 15 : CHANGE IN INVENTORIES**

**Opening Stock**

Shares	100,000.00	0.00
<b>TOTAL 'A'</b>	<b>100,000.00</b>	0.00

**Closing Stock**

Shares	0.00	100,000.00
<b>TOTAL 'B'</b>	<b>0.00</b>	100,000.00
	<b>100,000.00</b>	(100,000.00)

**NOTE - 16 : EMPLOYEE BENEFITS EXPENSE**

Directors Sitting Fees	154,050.00	0.00
Salaries, Wages & Allowances	1,058,848.00	628,268.00
	<b>1,212,898.00</b>	628,268.00

**NOTE - 17 : FINANCE COSTS**

**Interest on:**

Others	140,535.00	119,425.00
	<b>140,535.00</b>	119,425.00

**NOTE - 18 : OTHER EXPENSES**

**Administrative Expenses**

Printing and stationery	14,452.00	31,195.00
Office rent	154,960.00	177,840.00
Communication Expenses	34,314.00	40,587.00
Computer Expenses	0.00	5,000.00
Miscellaneous Expenses	168,850.34	106,310.40
<b>Payment to Auditors</b>		
- Audit Fees	30,000.00	57,500.00
- Other Matters	15,750.00	14,378.00
Bank charges	2,692.15	1,316.63
Listing Fees	48,787.50	0.00
Advertisement	0.00	112,010.00
Business promotion expenses	41,961.06	19,812.00
Professional Expenses	24,250.00	15,000.00
Travelling & conveyance	70,115.00	52,420.00
Penalty (SEBI)	466,875.00	0.00
	<b>1,073,007.05</b>	633,369.03



## DURGESH MERCHANTS LIMITED

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31-3-2018

PARTICULARS	YEAR ENDED 31.03.2018	YEAR ENDED 31.03.2017
<b>A. <u>CASH FLOW FROM OPERATING ACTIVITIES :</u></b>		
Net Profit before tax and extraordinary items	(790,513.05)	283,760.97
Adjustments for :		
Depreciation & Amortisations	14,727.00	26,853.00
<b>Operating profit before working capital changes</b>	<b>(775,786.05)</b>	<b>310,613.97</b>
Adjustments for :		
Trade and other receivables	(8,230,985.20)	7,682,775.44
Inventories	100,000.00	(100,000.00)
Trade Payables	8,793,123.41	(1,461,991.90)
<b>Cash generated from operations</b>	<b>(113,647.84)</b>	<b>6,431,397.51</b>
Direct taxes paid (net of refunds)	(84,579.00)	(153,168.00)
<b>Net cash inflow/(outflow) in course of operating activities</b>	<b>(198,226.84)</b>	<b>6,278,229.51</b>
<b>B. <u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
(Purchase)/sale of fixed assets	0.00	0.00
(Purchase)/sale of investments	0.00	(6,350,000.00)
<b>Net cash inflow/(outflow) in course of investing activities</b>	<b>0.00</b>	<b>(6,350,000.00)</b>
<b>C. <u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
Proceeds from issue of share capital(including share premium & net of share issue expenses)	0.00	0.00
Share application money received	0.00	0.00
<b>Net cash inflow/(outflow) in course of financing activities</b>	<b>0.00</b>	<b>0.00</b>
<b>Net increase in Cash and Cash Equivalents</b>	<b>(198,226.84)</b>	<b>(71,770.49)</b>

Add: cash & cash equivalents at the beginning of year

553,763.82

625,534.31

**Cash & cash equivalents at the close of the year**

**355,536.98**

**553,763.82**

**Notes:**

1) Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard 3 (AS-3)-" Cash Flow Statements".

**For KRISHAN RAKESH & CO.**

Chartered Accountants

Registration No.: 009088N

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

**Sd/-**

**K.K. GUPTA  
PARTNER**

**Sd/-**

**Kamal  
Ahuja**

**Director**

**DIN00005195**

**Sd/-**

**Rohit Ahuja  
Managing**

**Director**

**DIN-07859817**

**Sd/-**

**Manish  
Saini  
CFO**

**Sd/-**

**Praveen  
Prabhaker  
Tiwari  
Company  
Secretary**

**PLACE : DELHI**

**Date-30th May,2018**

**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-220, Basement, Defence Colony, New Delhi-110024

Date and Time: Wednesday, the 25<sup>th</sup> day of July, 2018 at 10:00 A.M.

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

1. Name: \_\_\_\_\_ Address: \_\_\_\_\_

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

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

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

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

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

as my/our Proxy to attend vote (for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Wednesday, the 25<sup>th</sup> day of July, 2018 at 10:00 A.M. at D-220, Basement, Defence Colony, New Delhi- 110024 and at any adjournment thereof) in respect of such resolutions as are indicated below:

S. No.	Resolution	Number of shares held	For	Against
<b>ORDINARY BUSINESS:</b>				
1.	Adoption of Consolidated/ Standalone Audited Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March, 2018 and the Reports of the Board of Directors and Auditors thereon.			
2.	To appoint a Director in place of Mrs. Poonam Ahuja (DIN: 05351468), who retires by rotation and being eligible, offers herself for re-appointment.			

Affix One  
Rupee  
Revenue  
Stamp

Signed this ..... Day of ..... 2018

Signature of shareholder.....

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

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

### ATTENDANCE SLIP

**Registered Folio / DP ID & Client ID**

**Name and Address of the Shareholder**

1. I hereby record my presence at the 34<sup>th</sup> ANNUAL GENERAL MEETING of the Company being held on Wednesday, the 25<sup>th</sup> day of July, 2018 at 10:00 A.M. at the registered office of the company, at D-220, Basement, Defence Colony NewDelhi-110024.
2. Signature of the Shareholder/Proxy Present
3. Shareholder/Proxy holder desiring to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.
4. Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Annual Report for reference at the meeting.

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

### ELECTRONIC VOTING PARTICULARS

<b>EVEN(Electronic Voting Event Number)</b>	<b>PASSWORD</b>	<b>USER ID</b>	<b>NO. OF SHARES</b>

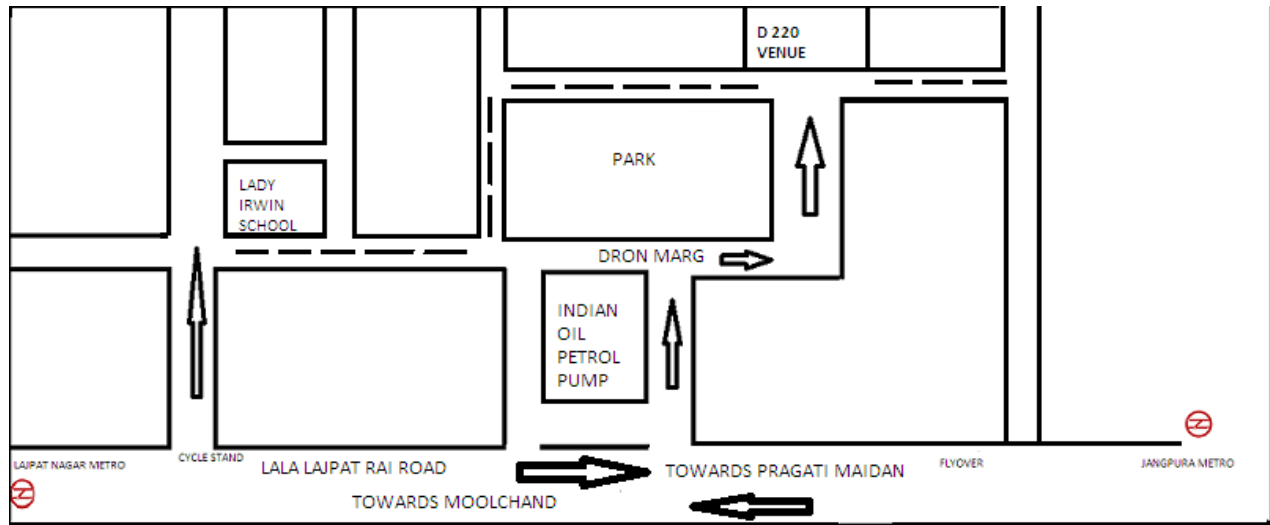
**The e-voting facility will be available during the following voting period:**

<b>Commencement of e-voting</b>	<b>From 09.00 A.M. on 22<sup>nd</sup> July , 2018</b>
<b>End of e-voting</b>	<b>Upto 05.00 P.M. on 24<sup>th</sup> July, 2018</b>

**Notes:**

- (i) The cut-off date for the purpose of e-voting is 19<sup>th</sup> July, 2018.
- (ii) Please read the instructions printed under the Note to the Notice dated 26<sup>nd</sup> June, 2018 of the 34<sup>th</sup> Annual General Meeting of the Company. The E-Voting period starts from 9:00 A.M on Sunday, 22<sup>nd</sup> July, 2018 and ends at 5:00 P.M on Tuesday, 24<sup>th</sup> July, 2018. The e-Voting module shall be disabled by NSDL for voting thereafter.

**Route Map for AGM of Durgesh Merchants Limited to be held on Wednesday, the 25<sup>th</sup> day of July, 2018 at 10:00 A.M.**



If undelivered please return to:

**Durgesh Merchants Limited**

**Regd. Office:** D-220, Basement, Defence Colony,  
New Delhi-110024

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

