

DURGESH MERCHANTS LIMITED

CIN: L51219DL1984PLC248322

Registered Office: D-220, Basement, Defence Colony, New Delhi - 110024
E-mail id: durgeshmerchants@gmail.com, Website: www.durgeshmerchantsltd.com,
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Recommendations of the Committee of Independent Directors (IDC) on the Open Offer to the Shareholders of Durgesh Merchants Limited under Regulation 26(7) of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011

1	Date	12th January, 2017
2	Name of the Target Company (TC)	Durgesh Merchants Limited
3	Details of the Offer pertaining to TC	The Offer is being made by the Acquirer in terms of Regulation (3) and Regulation 4 of SEBI (SAST) Regulations 2011 for the acquisition of 694200 (Six Lacs Ninety Four Thousand Two Hundred) Equity Shares of Rs.10 each (Rupees Ten Only), plus interest for delay in the offer schedule, Rs. 1.66 per share (Rupees One and Sixty Six Paise Only) at the rate of 10% per annum aggregating to Rs. 11.66 per share ("Total Consideration") of the Target Company, representing 26% of the total Paid up Equity Share Capital of Target Company at a price of Rs.10/- (Rupee Ten Only) per fully paid up Equity share payable in cash.
4	Name(s) of the Acquirer	Mr. Kamal Ahuja
5	Name of the Manager(s) to the offer	Sobhagya Capital Options Limited SEBI Regn No: MB/INM00008571 Contact Person: Mr. Suraj Jha and Ms. Prapti Abbey Email id: delhi@sobhagyacap.com Address: B-206, Okhla Industrial Area, Phase-I, New Delhi 110020
6	Members of the Committee of Independent Directors	Mr. Krishan Kartik Chairman of the Committee
		Mr. Yash Malhotra Member
7	IDC Member's relationship with TC (Director, Equity shares owned, any other contract / relationship), if any	IDC Members are Independent Directors on the Board of Target Company. Mr. Yash Malhotra holds 01 Equity Share of the Target Company aggregating to 0.00004%. None of them entered into any other contract or have other relationship with the Target Company.
8	Trading in the Equity shares/ other securities of the TC by IDC Members	The IDC members have not traded in the equity shares/other securities of the Target Company.
9	IDC Member's relationship with the acquirers and/or PACs (Director, Equity shares owned, any other contract / relationship), if any	None of the IDC members are Director in company where Acquirer is acting as Director nor have any contract /relationship with Acquirer in their personal capacities.
10	Trading in the Equity shares/ other securities of the acquirer by IDC Members	NA.
11	Recommendation on the Open offer, as to whether offer is fair and reasonable	IDC is of the opinion that the Offer is fair and reasonable.
12	Summary of reasons for recommendation	IDC has taken into consideration the following for making recommendation: IDC has reviewed (a) The Public Announcement ("PA") dated March 23, 2015 in connection with the offer issued on behalf of the Acquirer (b) The Detailed Public Statement ("DPS") which was published on March 30, 2015 (c) Corrigendum to DPS which was published on January 05, 2017 and (d) Letter of offer (LOO) dated January 09, 2017. Based on the review of PA, DPS, Corrigendum to DPS and LOO, the IDC is of the opinion that the Offer Price of Rs.10 (Rupees Ten Only) each, plus interest for delay in the offer schedule, Rs. 1.66 per share (Rupees One and Sixty Six Paise Only) at the rate of 10% per annum aggregating to Rs. 11.66 ("Total Consideration") per Equity Shares offered by the Acquirer (more than the highest price amongst the selective criteria mentioned under Justification of Offer Price) is in line with the regulation prescribed by SEBI under the SEBI (SAST) Regulations and prima facie appears to be justified.
13	Details of Independent Advisors, if any	None
14	Any other matter(s) to be highlighted	None

"To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying this statement is, in all material respect, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the Target Company under the SEBI (SAST) Regulations".

For Durgesh Merchants Limited

Sd/-

Krishan Kartik
Chairman -IDC

Place: New Delhi
Date: 12/01/2017