



**DILIP BUILDCON LIMITED**  
INFRASTRUCTURE & BEYOND

**Date: August 24, 2019**

To  
**BSE Limited**  
Listing Department  
P.J Tower, Dalal Street  
Mumbai 400 001  
Stock Symbol - 540047

To,  
**National Stock Exchange of India Ltd.**  
Exchange Plaza, C-1, Block G  
BandraKurla Complex,  
Bandra (E), Mumbai - 400 051  
Stock Symbol - DBL

**Sub: Submission of the Annual Report for the financial year ended on March 31, 2019 along with the Notice of 13<sup>th</sup> Annual General Meeting of the Company.**

Dear Sir/Madam,

Pursuant to Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclose herewith the soft copy of the Annual Report for the financial year ended on March 31, 2019 along with the Notice of 13<sup>th</sup> Annual General Meeting to be held on September 17, 2019. The abovementioned details are also available on the Company's website at [www.dilipbuildcon.com](http://www.dilipbuildcon.com).

We hereby request you to take the information on your records.

Yours Sincerely  
**For Dilip Buildcon Limited**

  
**Abhishek Shrivastava**  
Company Secretary



**Regd. Office :**

Plot No. 5, Inside Govind Narayan Singh Gate,  
Chuna Bhatti, Kolar Road, Bhopal - 462 016 (M.P.)  
Ph. : 0755-4029999, Fax : 0755-4029998

E-mail : [db@dilipbuildcon.co.in](mailto:db@dilipbuildcon.co.in), Website : [www.dilipbuildcon.com](http://www.dilipbuildcon.com)



DILIP BUILDCON LIMITED  
INFRASTRUCTURE & BEYOND

# DELIVERING ON COMMITMENTS

DILIP BUILDCON LIMITED



ANNUAL REPORT  
**2018-19**

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Mr. Dilip Suryavanshi

Chairman & Managing Director  
DIN : 00039944

### Mr. Devendra Jain

Whole- time Director & CEO  
DIN : 02374610

### Mrs. Seema Suryavanshi

Whole- time Director  
DIN : 00039946

### Mr. Aditya Vijay Singh

Independent Director  
DIN : 03585519

### Mr. Ashwini Verma

Independent Director  
DIN : 06939756

### Mr. Amogh Kumar Gupta

Independent Director  
DIN : 06941839

### Mr. Satish Chandra Pandey

Independent Director  
DIN : 07072768

### Mr. Vijay Chhibber

Independent Director  
DIN : 00396838

### Mr. Malay Mukherjee

Independent Director  
DIN : 02272425

### \*Ms. Ratna Dharashree Vishwanathan

Independent- Additional Woman Director  
DIN : 07278291

## REGSITERED OFFICE

### DILIP BUILDCON LIMITED

CIN : L45201MP2006PLC018689  
Plot No. 5, Inside Govind Narayan Singh  
Gate, Chuna Bhatti, Kolar Road,  
Bhopal 462 016, Madhya Pradesh  
Tel No.: +91 755 4029999  
Fax: +91 755 4029998  
Email : db@dilipbuildcon.co.in;  
Website: www.dilipbuildcon.com

## BANKERS & FINANCIAL INSTITUTIONS

Punjab National Bank  
Bank of Baroda  
Canara Bank  
State Bank of India  
IDBI Bank Limited  
Syndicate Bank  
Andhra Bank  
Allahabad Bank  
Bank of India  
Bank of Maharashtra  
Central Bank of India  
Corporation Bank  
Indian Overseas Bank  
The Jammu & Kashmir Bank Limited  
Oriental Bank of Commerce  
UCO Bank  
The Lakshmi Vilas Bank Limited  
Union Bank of India  
United Bank of India  
Punjab & Sind Bank  
Karnataka Bank  
Indian Bank

## REGISTRAR & SHARE TRANSFER AGENT

### 1. FOR EQUITY SHARES

Link Intime India Private Limited  
C 101, 247 Park, L.B.S Marg, Vikhroli  
(West), Mumbai, Maharashtra, 400083  
Tel No: +91 22-49186270  
Fax No: +9122-49186060  
Email : :rnt.helpdesk@linkintime.com

### 2. FOR DEBENTURE

M/s Alankit Assignments Limited  
Alankit Heights, 3E/7, Jhandewalen  
Extension, New Delhi -110055  
Tel No: +91 11-42541959  
Fax No: +91 11-42541201  
Email : b.swain@alankit.com

## PRESIDENT & CFO

\*\*CA Radhey Shyam Garg

## COMPANY SECRETARY & COMPLIANCE OFFICER

CS Abhishek Shrivastava

## AUDITORS

Mukund M. Chitale & Co.,  
Chartered Accountants,  
2nd Floor, Kapur House,  
Paranjape B Scheme Road No. 1  
Vile Parle (E), Mumbai 400 057

M/s MSG & Associates,  
Chartered Accountants,  
MIG-1/5, 1st Floor, Amber Complex,  
Zone-II, M.P.Nagar,  
Bhopal 462 011

## SECRETARIAL AUDITOR

Piyush Bindal & Associates  
Company Secretaries  
S-12, 2nd Floor, Gurukripa Plaza,  
Zone-II, M. P. Nagar,  
Bhopal-462011

## COST AUDITOR

Yogesh Choursia & Associates  
Cost Accountants  
R-73, Zone -II, M.P. Nagar,  
Bhopal (M.P)

\* Appointed as an additional woman Director in category of an independent Director w.e.f March 30, 2019.

\*\*Mr. Radhey Shyam Garg has been appointed as Chief Financial Officer w.e.f. December 10, 2018 and designated as the Key Managerial Personnel of the Company in place of Mr. Raja Ghosh, who has resigned from the post of Interim Chief Financial Officer on December 10, 2018 and further Mr. Radhey Shyam Garg has been designated as President & Chief Financial Officer w.e.f. June 01, 2019.

# DELIVERING ON COMMITMENTS

The Infrastructure and EPC (Engineering, Procurement and Construction) industry in India has been progressing at a scorching yet steady and consistent pace over previous few decades. The aspirations levels and living standards of the people in our country have been on the rise, and the infrastructure has to reflect these rising expectation levels and disposable income standards. This presents a humungous opportunity for firms which deliver quality at reasonable costs, to excel and deliver sustainable profitable growth to create shareholder value.

Dilip Buildcon Limited (DBL) is a leading EPC and infrastructure company which has been in the industry for more than three decades in India. It has become synonymous with success, excellence, trust and most optimal output for all stakeholders put together. We have steadily risen through the ranks and as a result of consistent organic growth, DBL is among the fastest growing infrastructure companies, today in India. The meticulous planning at each and every step of our operations, right from the project bidding stage to resource mobilization and earliest possible completion, is an evidence of dedication, efficiency, and vision of our 35,000 plus workforce. We pay special attention to the projects we want to take, equipment ownership, and maintaining uncompromising standards on the well-being of our workforce.

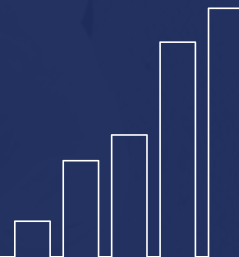
The success of DBL is defined by Growth, Diversification, Consistency and Value Creation while creating a positive impact on the society and the nation. This reflects in;

- **GROWTH** .....
- **DIVERSIFICATION** .....
- **CONSISTENT GROWTH** .....
- **SUSTAINABILITY** .....
- **CAPITAL STRUCTURE** .....
- **CORPORATE GOVERNANCE** .....



# GROWTH

which is sustainable and profitable



We have been growing much faster than the growth rate of industry we operate in. We have an average revenue growth rate of more than 50% per year over previous five years while the industry trend is single digit growth over this frame.

We take immense pride in our execution capabilities and timely completion of projects. According to a report by parliamentary panel on National Highways Authority of India (NHAI), only ~15% of the total projects had been completed on time over more than twenty years, from 1995 to June 2016. DBL has a significantly consistent track record of completing ~90% of its projects before time, hence earning early completion bonuses amounting to ₹ 4,373 million from 2012 to 2019.

DBL has maintained very fine balance between order book growth and profitability of projects we want to work on. The order book which is ₹ 2,11,718 million in FY19 was ₹ 51,609 million in FY14. Over five years, this is a growth of more than 4 times at a CAGR of more than 32.7%.



# DIVERSIFICATION

which is synergistic and aligned with long term goals

DBL had started its journey from Madhya Pradesh, where it has its headquarter. Now the company is present in 17 states, covering ~85% of India's geographical spread and effectively covering almost the entire opportunity space in Infrastructure and EPC space.

Primarily from just road construction a few years ago, the Company has now successfully diversified into new and interesting business segments including Tunnels, Bridges, Mining, Urban Development, Irrigation and Metro projects. The technical experience is getting richer and vistas for in-house capabilities are continuously expanding.

We have also been able to successfully improve the exposure of government projects and hence, reducing the dependence on private projects and ensuring improved payment visibility. As on 30th September 2014, 48% of the projects were from the central government, 17% projects from the state governments and private projects were 35%. As of 31st March 2019, 85% of our projects are from the central government and 15% are of the state governments. The contribution of private projects is virtually insignificant now.



# CONSISTENT GROWTH

## Financials and Focus on Balance Sheet Strength

The revenue of the company has increased from ₹ 26,301 million in FY15 to ₹ 91,646 million in FY19, which implies a 36.6% CAGR over previous four years.

The Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) of the company was ₹ 5,716 million in FY15, which has increased to ₹ 16,508 million in FY19. The CAGR for EBITDA is 30.4% over previous four years.

Profit After Tax (PAT) has increased from ₹ 1,447 million in FY15 to ₹ 7,639 million in FY19, which presents a CAGR of 51.6% in previous four years. The bottom-line has grown significantly more than the growth in top-line indicating judicious selection of projects, strong cost control measures and declining financial leverage.

The ROE and ROCE in FY15 were 18.1% and 19.3% respectively, already very healthy returns on capital employed and equity invested. These numbers have improved further and for FY19, the ROE is 27.0% and the ROCE is 22.6%, which proves strong focus on asset turnover, most optimal usage of capital and consistent value creation for shareholders.



# SUSTAINABILITY

## Long term Visibility and Building a Legacy

In FY15, our revenue was ₹ 26,301 million and the net debt ₹ 19,528 million. For FY19, the revenue and net debt are ₹ 91,646 million and ₹ 33,876 million, respectively. The like-to-like comparison suggests that the revenue has grown 3.5 times, while the net debt has increased only 1.7 times. This clearly shows that growth in the Company is not driven by financial leverage and unsustainable capital structure.

Another key parameter to assess an EPC company is how efficiently they are utilizing their working capital. While the revenue of the Company has grown 3.5 times, the working capital days have been significantly reduced to more than 50% in the previous four years.

The debt levels are reasonable and the primary usage of debt is in purchase of equipment which is a source of strong competitive advantage. In FY19, DBL had a net debt of ₹ 33,876 million, and a significant part of it (~45%) was equipment debt.



# CAPITAL STRUCTURE

Which is more efficient and focus on Asset Monetization

Even in a challenging environment, the Company has managed to grow profitably and the focus firmly remains on creating a capital structure which could withstand the vagaries of evolution in business environment and less risky. This is because of the Company's prudent bidding skills, financial discipline, execution capabilities, and work quality.

The company has already received 3/4th of the total proceeds from previously monetised 24 HAM (Hybrid Annuity Model) projects and we are actively pursuing asset monetization opportunities for more projects. We are confident that our balance sheet will strengthen further post hiving off 12 more HAM projects.



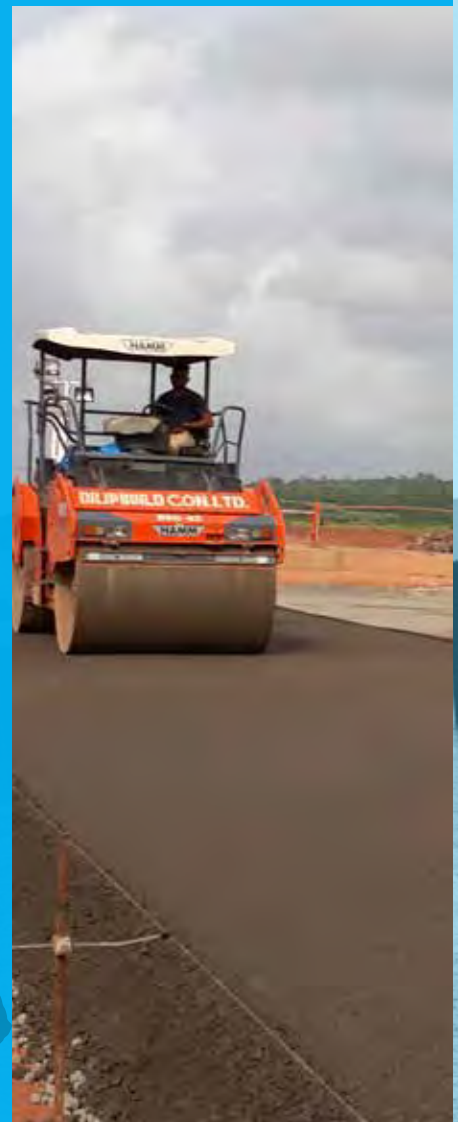
# CORPORATE GOVERNANCE

**Driven by Strong Internal Controls and Uncompromising Ethics**

- We have one of the best-in-industry disclosure practices. We provide granular details on our operating and financial performance and we release quarterly balance sheets.

- In order to always have highest corporate governance standards, seven out of our ten directors are independent. This is also important for infusing fresh perspective and outside view into our business.

- By full-scale roll out of SAP across the Company, we ensure real-time project management. This also helps in achieving significant cost savings through inventory management, monitoring real-time purchase information for better and timely negotiations, and maintaining equipment efficiency at all times.



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## Forward-looking statements

In this annual report, we have disclosed certain forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make certain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

## CORPORATE OVERVIEW

An introduction to the report covering who we are, the Chairman's reflections on the year, the differentiated business model, notable events, our history, snapshot of the projects and where and how we do business.

## STATUTORY REPORTS

An explanation of how we are organised, what the Board has focused on and how it has performed, how we communicate with our shareholders and how our Directors are rewarded.

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# CORPORATE OVERVIEW



Pan India presence

**17 states**



Revenue growth

5 years **CAGR of 31.59%**



**Vertically integrated**

with No **subcontracting**,  
and use of **technology**





Diversified areas of expertise

**Roads, bridges,  
buildings, dams, canals,  
water supply & mining**



Largest owner of  
Construction equipment's

**11,741**



Largest employer in  
construction industry

**35,153 employees**



Best project executors

**~90% projects  
before time**



Early completion  
bonus 2012 to 2019

**₹4,373 mn**

# TIMELINE

Formation of a small, Bhopal - based construction firm called Dilip Builders to execute small urban development projects

1987

Awarded our first major project as EPC contractors for Ansal Housing. The Delhi-based pan-India developer was constructing the largest private residential project in Bhopal. A first of its kind project, the premium housing complex is comprised of 180 flats and 24 duplexes

1993

Won a competitive bid to construct India's largest OIL PSU, Indian Oil Corporation Limited's Madhya Pradesh corporate office

1995

Bought our first stone crusher as part of our backward integration strategy. This was the foundation for building our strong fleet and creating a market differentiator. Soon after, we also bought our first excavator and truck

1996

Expanded operations beyond Bhopal. First stop was Rajgarh (MP), where we built a hospital for INR 56 lakhs for the Red Cross Society

1997

1999

Took on multiple office, residential and road projects in Rajgarh, MP. We built a composite building, valued at INR 4 cr, for PWD MP, completing the project on schedule

2003

As opportunities in the road sector increased in Madhya Pradesh, we entered the sector by working on 5 - 6 road projects in MP valued between INR 2 - 3 cr each

A flagship project at the time was the Narsingarh - Boda 2 - lane 45 km highway commissioned by PWD MP, valued at INR 3.16 cr

2006

With an ambition to become a leading player in the EPC sector, Dilip Buildcon was incorporated as a private limited company

2007

Dilip Buildcon acquired Dilip Builders along with all assets and liabilities on 1st April 2007. The company's typical project size also increased to INR 1,150 mn with Ratlam - Jawra. Dilip Buildcon completed the project 8 months before the scheduled time and received an INR 50 mn bonus

2009

Forayed outside our home state for the first time with road projects in Himachal Pradesh (HP). In HP, we constructed 2 road projects. The projects received an award for early completion from the World Bank

Won our largest EPC project to date; 4-laning Ahmedabad - Godhra NH - 59 bridge project in Gujarat with a project value of INR 10,189.9 mn. The project was 4X the typical value of projects the company had undertaken before that

**2010**

Dilip Buildcon raised our first external capital through a PE investor, BanyanTree Growth Capital. The fund invested INR 750 mn into the company. With fresh capital, revenue increased ~3X; from INR 4,840 mn in 2011 to INR 11,840 mn in 2012. The order book also crossed INR 25,000 mn

**2012**

Strategically, we started making the shift to become a full-service infrastructure player. The first sector we entered was Urban Development with the Mardanpur Water Supply project awarded by the Jal Vikas Nigam MP, the project was valued at INR 2,300 mn and was completed in June 2016

**2013**

The Central and State Governments vision for river linking and irrigation gave us the impetus to enter the Irrigation sector. The first project in the sector is the Mohanpura Major Multipurpose project. We expanded our presence in the sector with the Bahuti Canal project in MP

**2014**

Continuing with our strategy to become a full-service infrastructure player, Dilip Buildcon entered Mining sector with an INR 1,045 mn contract for Nigahi OCP of NCL in Singrauli, Madhya Pradesh. The strategic move was made based on India's increasing power requirement and the Government of India's stated goal of increasing output and reducing coal import

**2015**

**2016**

DBL goes public with the promise of increasing shareholder value. The IPO is 22 times oversubscribed and is greeted at Dalal Street with a celebration.

**2017**

DBL achieves a milestone with INR 51,091 mn in revenue in FY16-17, exhibiting a 25% growth from FY15-16. We are leveraging our expertise to make a mark in allied sectors as well and derisking our business model through diversification. On the back of our execution prowess, we have started taking on complex and iconic projects

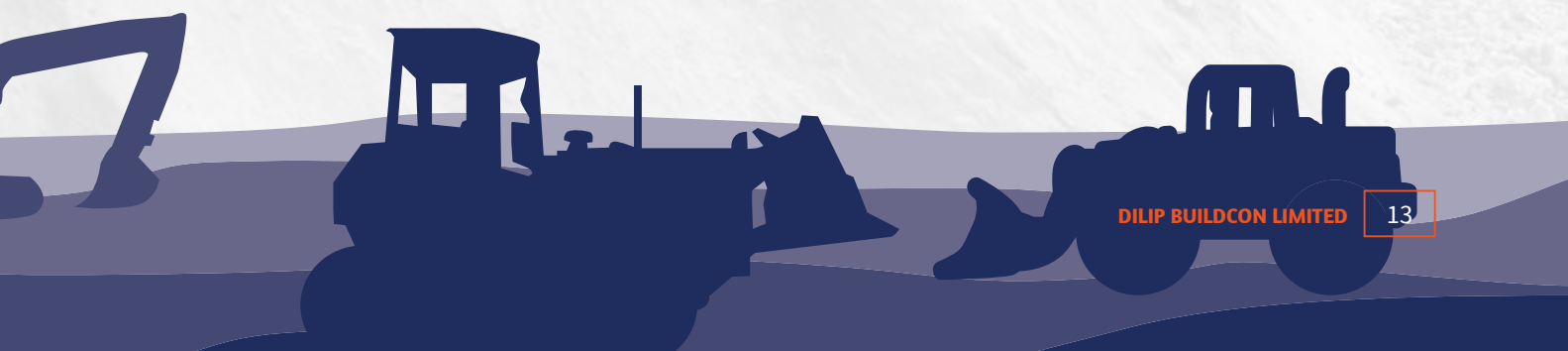
**2018**

DBL achieves a top line of INR 77,614 mn in FY17-18 registering a growth of 52% from FY16-17. The company has grown to a team of 32,000+ employees and has acquired a 9,998 strong fleet

**2019**

Entered in Tunnels & Metro in Tunnels & Metro Segment

DBL achieves a record topline of INR 91,646 mn in FY18-19, registering a growth of 18% from FY17-18



# BOARD OF DIRECTORS



## **Dilip Suryavanshi**

Chairman & Managing Director

**Qualification :** Bachelor's degree in civil engineering from the University of Jabalpur

**Professional Career :** He has over 35 years of experience in the business of construction. He is currently the President of the Madhya Pradesh Builders Association. As the Managing Director of our Company, he liaises with various departments of the government and also overlooks processes including tendering, bidding and planning the projects.

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## **Devendra Jain**

Whole-time Director & CEO

**Qualification :** Bachelor's degree in civil engineering from Vikram University, Ujjain

**Professional Career :** He has over 20 years of experience in the business of construction. He looks after project implementation along with the quality of work and ensures timely completion of the projects undertaken by our Company.

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## **Seema Suryavanshi**

Whole-time Director

**Qualification :** Bachelor's degree in arts (honours) from Ranchi Women's College

**Professional Career :** She has over 20 years of experience in the business of construction. She actively participates in finance, investment and various Company affairs as a co-ordinator between execution and administrative wing of our Company.

**Ms. Ratna Vishwanathan**

Independent Woman &amp; Non-Executive Director (Additional)

**Qualification :** Master's Degree in English Literature from Lucknow University, Diploma in Environment and Third World Development from London School of Economics.**Professional Career :** She has nearly 31 years of experience in a wide range of sectors including strategy building, project management, microfinance, change management, Human Resource and Financial management. Hailing from the Indian Audit and Accounts Service (IA & AS), Batch of 1987, she has served many departments of Government of India like Audit, Defense, and Prasar Bharti from 1987 to 2008. She has served as a Board Member of Mudra Bank during 2015-18, the Chairperson of the South Asian Microfinance Network, and is the Member of the RBI's Financial Inclusion Advisory Committee. She has been the CEO of MFIN (Micro Finance Institutions Network) from Jan-2014 to Jan-2018, and the CRO of the Sustainable India Finance Facility. Her expertise has also been utilized at very senior levels in popular NGOs like Oxfam India and VSO India during 2008-2013.**Malay Mukherjee**

Independent &amp; Non-Executive Director

**Qualification :** Master of Science (Physics)**Professional Career :** He has over 41 years of varied experience and skills in the fields of Banking, NBFC including Venture Funding, Factoring and Broking. He has worked on various key assignments like Chairman of the Board of IFCI Factors Ltd, IFCI Infrastructure Development Ltd, Tourism Finance Corporation of India Ltd, IFCI Financial Services Limited & Executive Director in Central Bank of India and a member of the Governing Body of Entrepreneurship Development Institute of India (EDIJ), Ahmedabad. He is also in the board of NABIL Bank, Nepal and other NBFCs/ Companies in India.**Vijay Chhibber**

Independent &amp; Non-Executive Director

**Qualification :** Masters in History, St. Stephens College, Delhi University (1977), Alumni of the National Defence College**Professional Career :** He is a former IAS officer of the 1978 batch of Manipur-Tripura Cadre & has worked on several key assignments in the Govt. of India. He is a retired Civil Servant with over 38 years of Public Service in the Indian Administrative Services and has served as Secretary of Ministry of Road Transport and Highways with additional charge of Chairman, National Highways Authority of India and was instrumental in many path breaking initiatives of the Ministry.**Aditya Vijay Singh**

Independent &amp; Non-Executive Director

**Qualification :** Bachelor's degree, science in physics honours**Professional Career :** He has over 40 years of experience in government services and state and public-sector undertakings. He retired as the Chief Secretary, Madhya Pradesh. He was also the Chairman of Narmada Valley Development Authority and as the State Election Commissioner of the Madhya Pradesh.

# BOARD OF DIRECTORS



**Satish Chandra Pandey**

Independent & Non-Executive Director

**Qualification :** Bachelor's degree in civil engineering from Government College of Engineering & Technology, Raipur

**Professional Career :** He has previously worked with the Public Works Department, Government of Madhya Pradesh for 38 years.

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**Amogh Kumar Gupta**

Independent & Non-Executive Director

**Qualification :** Master's degree in public health engineering from Maulana Azad College of Technology, Bhopal

**Professional Career :** He has over 33 years of experience in the field of architecture and interior designing. He is a partner of Amogh Kumar Gupta and Associates. He has previously worked with the Environmental Planning & Coordination Organization Bhopal and the Town Planning Cell of Narmada Valley Development Authority, Bhopal. He has been appointed as Chairperson of the Board of Governors of School of Planning & Architecture, by Department of Higher Education, Ministry of Human Resource Development, GOI.

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**Ashwini Verma**

Independent & Non-Executive Director

**Qualification :** Bachelor's degree in civil engineering from the Rajiv Gandhi Praudyogiki Vishwavidyalaya, Bhopal.

**Professional Career :** Associated with DBL since 2014, he has over 28 years of experience in architectural and site engineering services. He is a partner of AV & Associates. He has previously worked in various capacities in Gawali & Associates, Architects and Engineers, Waseem & Associates, Pradeep K. Saxena & Associates and Harekrishna Colonisers Pvt. Ltd. He holds Bachelor's degree in civil engineering from the Rajiv Gandhi Praudyogiki Vishwavidyalaya, Bhopal.

# LEADERSHIP TEAM



**Bharat Singh**  
President



**Rohan Suryavanshi**  
Head - Strategy & Planning



**Karan Suryavanshi**  
Head - Business  
Development



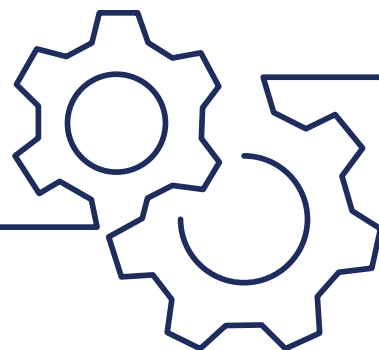
**Radhey Shyam Garg**  
President & CFO



**Abhishek Shrivastava**  
Head CS &  
Compliance Officer



# EXECUTION TEAM



**Mohan Tiwari**  
President –  
Business  
Development



**Ajay Kumar Mishra**  
President –  
Contract  
Management



**Atul Joshi**  
Vice President –  
Structure



**Jay Prakash Mishra**  
Vice President -  
Highway



**Raja Ghosh**  
Associate Vice  
President (Tax) –  
Finance & Accounts



**Nitin Shrivastava**  
Associate Vice  
President – Business  
Development



**Arun Kumar K**  
Associate Vice  
President – Design &  
Technical Audit



**R.B. Singh**  
Associate Vice  
President – Mining  
(Coal)



**Rahul Kumar  
Dhandhan**  
GM – Finance



**Devendra Goyal**  
GM – Accounts



**Nitesh Kumar  
Sharma**  
GM – Billing &  
Planning



**Pradeep Harel**  
GM – Mechanical



**Badal Chandra  
Sardar**  
GM – Survey &  
Design



**B.B. Kameshwara  
Rao**  
GM – QA & QC



**Devesh Sharma**  
DGM – Legal

# PAN INDIA PROJECT EXECUTION CAPABILITY

## 1 : Andhra Pradesh

Completed	10,596
Ongoing Gross	32,200
Ongoing Net	12,559

## 2 : Chhattisgarh

Completed	3,681
Ongoing Gross	6,165
Ongoing Net	124

## 3 : Goa

Completed	-
Ongoing Gross	15,281
Ongoing Net	8,299

## 4 : Gujarat

Completed	9,814
Ongoing Gross	-
Ongoing Net	-



## 5 : Haryana

Completed	60
Ongoing Gross	4,577
Ongoing Net	113

## 6 : Himachal Pradesh

Completed	1,187
Ongoing Gross	-
Ongoing Net	-

## 7 : Jharkhand

Completed	3,330
Ongoing Gross	18,644
Ongoing Net	12,264

## 8 : Karnataka

Completed	9,711
Ongoing Gross	47,634
Ongoing Net	45,154

## 9 : Maharashtra

Completed	9,616
Ongoing Gross	90,675
Ongoing Net	56,010

## 10 : Madhya Pradesh

Completed	102,497
Ongoing Gross	40,732
Ongoing Net	25,854

## 11 : Odisha

Completed	-
Ongoing Gross	18,435
Ongoing Net	16,897

## 12 : Punjab

Completed	9,090
Ongoing Gross	3,465
Ongoing Net	-

## 13 : Rajasthan

Completed	9,433
Ongoing Gross	5,366
Ongoing Net	5,366

## 14 : Telangana

Completed	5,820
Ongoing Gross	15,530
Ongoing Net	9,444

## 15 : Tamil Nadu

Completed	2,520
Ongoing Gross	-
Ongoing Net	-

## 16 : Uttar Pradesh

Completed	13,354
Ongoing Gross	36,707
Ongoing Net	18,079

## 17 : West Bengal

Completed	-
Ongoing Gross	6,131
Ongoing Net	1,555

# WHAT ARE WE CONSTANTLY THINKING?

## MANAGEMENT'S THOUGHT PROCESS



Bag good projects at good rates across sectors where we see future opportunity



Execute projects with our own employees and equipment's



Monitor and improve efficiency across project sites by using SAP, Drones, GPS



How to be the best full-service infrastructure company in the country



Foster a unique culture  
which brings out the best  
in the employees



Be a focussed EPC  
Company



Grow our business with  
sustainable margins



Reduce Debt & improve  
Credit Ratings

# CHAIRMAN'S MESSAGE

## DELIVERING ON PROMISES

### Dear Shareholders,

It gives me immense pleasure to present you the 13<sup>th</sup> Annual Report of your Company. The financial year 2018-19 was very exciting for all of us. At your company, the year remained full of new opportunities and significant accomplishments for Dilip Buildcon Limited (DBL). We continue to march forward with confidence, hope and humility on our exciting journey of business growth and value creation for our shareholders. Every New Year brings new optimism, new hopes and renewal of unwavering commitment towards endeavor for excellence. Once again, this is the time to rededicate ourselves for creation of world class infrastructure in India and make contribution in nation's progress.

Being optimistic doesn't mean remaining oblivious to reality and the year gone by was not a smooth ride by any means. There were several macroeconomic uncertainties and challenges which plagued the global economy and a full-scale trade war between two global economic superpowers, USA and China was the major worry. The more aggressive and uncertain stance from UK on the modalities of Brexit, localized geopolitical conflict escalation in many regions and economic slowdown in several countries was other challenges. The world economy certainly looked in a worse shape in March 2019 as compared to April 2018. This was also reflected in the consistent downgrades in growth rate for global economy by global agencies, from time to time and through out the year.

There were other local and India specific headwinds including political uncertainties regarding the General Elections and assembly elections in several states including Madhya Pradesh, Rajasthan and Chhattisgarh, negative impact of volatile crude oil prices and unexpected, sharp and unpredictable movements





in currency markets. The economic slowdown was also contributed by funding pressures for NBFCs due to certain debt defaults, poor performance in mining and agricultural sector, high profile bankruptcies in sectors such as aviation and the increase in fiscal and current account deficits for India as a whole. The economy has also not fully recovered from disruptive impact of Goods and Service Tax (GST) yet.

The global economic outlook for 2019 vs. 2018, which had turned out to be a good year for growth is really worrisome. International Monetary Fund (IMF) assessed the growth rate at 3.6% for 2018 and IMF has moderated the economic growth expectation to 3.3% for 2019. Some of the other forecasts are even gloomier. For example, the World Bank expects global economic growth to moderate to 2.6% in 2019. While the estimates will have variance and that is natural, there is virtually a consensus that global economic growth will experience a considerable slowdown in 2019.

In FY19, India had recorded 6.8 % growth in its GDP. It remains to be seen how Indian economy will perform in FY20, but some of the latest data points are ominous. In the most recent statement from Reserve Bank of India (RBI) released in August 2019, India's central bank has cut the FY20 growth rate estimate from 7.0% to 6.9%. While this performance is satisfactory considering the vulnerabilities surrounding the global economy and numerous macro-economic factors proving to be a hindrance, we as a country can surely do better. In this context, there is no doubt that some of the recent developments have also negatively impacted the investor sentiment on India and this is an important area to focus on for capital hungry growing economy.

We strongly believe that challenges also offer opportunities and our country's economy will successfully withstand these pressures to emerge even stronger. We are not only optimistic about next twelve months; we are confident that there will be solid support from the fact that a stable and dynamic Government is in place. We understand and appreciate that the long-term impact of reforms such as Goods and Service Tax (GST) is positive and policy intervention has been proactive to address industry concerns. The reform measures were undertaken keeping the larger picture in mind, and the nation is gradually realizing their benefits.

The re-election of a stable and decisive Central Government will play a crucial role in providing the right macroeconomic direction to the country. From the perspective of Infrastructure sector, the continuity at the very top in the Ministry of Road Transport and Highways is extremely vital.

The dynamic leadership of concerned ministers will be important in providing further impetus to project award and construction activity.

The BJP's 2019 elections manifesto and Finance Minister's Budget speech in July 2019 talks extensively about continued focus on infrastructure, increased allocation for roads and full-scale support for removing the bottlenecks in infrastructure space. The election manifesto promises:

- a) construction of 60,000 kilometers of National Highways in the next five years,
- b) doubling the length of National Highways by 2022,
- c) conversion of all viable rail tracks to broad gauge by 2022 and efforts to ensure electrification of all railway tracks by 2022,
- d) from a total of 101 functional airports, doubling the number of functional airports in the next five years,
- e) 50 cities to be covered with a strong metro network in next five years.

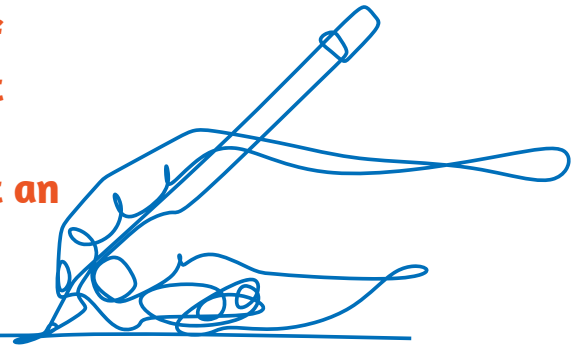
In the first Union Budget presented in July 2019 by the Central Government after its re-election, the infrastructure remains a key priority area. There is also an increased realization that an effective private participation will be required to fulfil the requirement of ₹ 100 trillion investment needed for infrastructure development over the next five years. There are announcements on augmenting 1,25,000 kilometers of rural roads under the Pradhan Mantri Gram Sadak Yojana at a cost of ₹ 800 billion and creating a national highways grid. In light of this, we strongly believe that as a country, we are very close to the beginning of a bigger push on roads and highways from the Central Government and respective state administrations.

All of this presents an unparalleled opportunity to companies in infrastructure and construction sectors. The Government's increased efforts to create and improve the infrastructure in the country is attracting the interests of both domestic and international companies and investors. In this segment, the private sector is a major contributor in the growth initiative as it is involved in a large number of projects across sectors, from roads and Highways to metro systems for urban transports, seaports and airports.

From requiring some tweaks from time to time, the Public-Private Partnership (PPP) model is already proving to be a successful in a sector which is hungry for capital. With the aim of boosting the construction and development activity, the Government has formed a single window clearance facility for allowing speedy approval of the projects in many sectors. The Foreign Direct Investment



**The growth in infrastructure and construction presents an unparalleled opportunity to companies in this space and this will also be instrumental in attracting the interests of both domestic and international investors. It is important in this context that the task of 'nation building' cannot be achieved without an active participation of the private sector.**



(FDI) has surged significantly in this sector. This also reflects in announcements of big-ticket investments by foreign investors on a regular basis.

This sector offers continuous opportunity for decades to come as the task of nation building is being pursued relentlessly by the policy makers, administration and entrepreneurs. The differentiating factor for companies to benefit from this large opportunity is their prudence in project bidding, adherence to highest execution standards, judicious capital allocation, tight control on costs and their ability to deliver consistent quality across sectors.

To speak about your company, DBL has been at the forefront to utilize them and deliver fast, significantly above industry average, profitable and most importantly sustainable growth the business and financial performance of DBL is testimony of our commitment to deliver best quality in the shortest possible time at the most competitive cost to our clients and our strict adherence to solid work ethics. DBL has been doing this for years in the past and will continue to do so in future.

Our journey over the last four decades has been a story of consistent hard work, adaptability to continuously evolving

business environment and never compromising standards on corporate governance. By staying true to our core values, DBL has remained one of the most coveted brands among leaders in roads and highway construction and Engineering, Procurement & Construction (EPC) business in India. Delivering on Promises to all the stakeholders is the philosophy we live by and that is what we strive for in all our efforts.

To conclude, I would like to thank the Board Members and the stakeholders for their confidence and trust in the Company. I also extend my sincere gratitude to our employees, customers, and vendors for their hard work and continuous support. With your patronage, we will keep delivering on our promises without compromising on the business ideals we hold so dear to ourselves. With deep regards and great appreciation to all our stakeholders, I am confident that we will reach even greater heights in future.

Very Sincerely,

**Dilip Suryavanshi**  
Chairman and MD

# CEO'S MESSAGE

## FOCUS ON DELEVERAGING

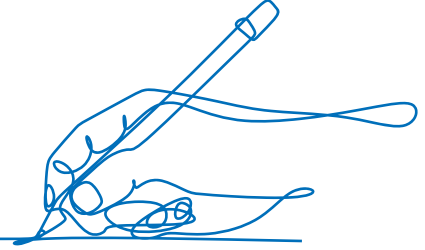


### Dear Shareholders,

Despite some occasional and expected hiccups, the Indian economy has remained one of the fastest growing in the world over previous couple of decades. To sustain these growth rates with an objective of capacity creation, the building of world-class infrastructure is the high priority area for the Government. This not only opens up increased growth avenues for sectors such as Roads and Highways, Metro Rails, Urban Infrastructure and Mining, this also helps businesses like Engineering, Procurement & Construction (EPC) and Asset creation in Public Private Partnership (PPP) mode.

All of this implies a great business opportunity for DBL. However, every year is different for business and we are proud of our operating and financial performance in FY 2018-19, the major highlights of which are as follows:

- The Company's revenue increased by 18% from ₹ 77,614 million in FY 2017-18 to ₹ 91,646 million in FY 2018-19.
- The strong revenue growth and excellent cost controls exercised by your company also resulted in a 16% growth



**We put sustainable and profitable growth above everything else. The diversification and deleveraging are the two pillars of this strategy. We will grow across geographies and business segments, with minimum use of capital.**

in EBITDA from ₹ 14,183 million to ₹ 16,508 million.

- Profit after tax increased by 23% from ₹ 6,206 million in 2017-18 to ₹ 7,638 million in 2018-19. This is an excellent result in a challenging business environment.
- We recorded another year of strong order inflow. The order book has been expanding at a CAGR of 32.7% over last 5 years and now stands at INR 212 billion.
- In the financial year 2018-19, we won projects worth INR 61,257 million. The order inflow reflects a marginal decline of 3% primarily because of negative impact on order awards because of General elections and Assembly elections in several states.

**We believe in growth which is not because of financial leverage and the work on balance sheet also continues at your company:**

- DBL's Debt to equity ratio as at March 31, 2019 on a standalone basis stood at 1.06. We are focusing on deleveraging the balance sheet of the Company, at the same time delivering the growth which we promised during IPO in 2016.
- As evident from our finances, the revenue of your Company has grown by 3.5 times, while the net debt has increased only by 1.7 times, between FY16 and FY19.
- The equipment and working capital debt-equity ratio have decreased to 0.48 and 0.58 respectively.

- The total debt-equity ratio has fallen to 1.06 as the net debt is now ₹ 33,876 million, a considerable share of which is equipment debt.
- We are focusing on more efficient use of equity and improving Return on Equity by exploring possibilities for monetising all 12 HAM projects we had won in FY19.

**In addition, I want to reiterate that FY19 was an exciting year for DBL, full of big successes and great accomplishments. I am proud to report that regardless of the macro environment and challenges for economy, the previous financial year was one of the most important years for our company for the following reasons:**

- The order book has been expanding at a CAGR of more than 30% over last 5 years and this has been achieved by relentless hard work and paying close attention to project bidding and execution. This robust Order Book provides your Company with multi-year forward visibility on Revenues and Margins.
- In the financial year 2018-19, we won several marquee projects which includes the metro projects of Bhopal and Indore worth ₹ 2,206 million and ₹ 2,044 million respectively.
- Another big achievement is in the mining segment, we won Mine Developer and Operator (MDO) contracts worth ₹ 320 billion for a contract period of 55 years in this space.
- Last year, we completed projects valued at ₹ 32,509 million.

More importantly, all of these were completed before time, entitling us of early completion bonus amounting to ₹ 326 million. For example, our second dam project (Kundalia Major Multipurpose Dam) valued at ₹ 2,700 million, has been completed 141 days before time.

The operating and financial numbers DBL has achieved in FY2018-19 underline your company's competitiveness to consistently deliver in a challenging business environment. A strong revenue visibility underlines the success and strong credentials of the Company, and DBL has been successfully able to maintain this over the years. There are solid reasons for why we are able to achieve the performance we deliver and why we are able to deliver market leading returns to our shareholders, not with standing short-term fluctuations in the equity markets.

- Our vision is completely aligned with objectives of our clientele and this reflects in DBL's business, and geographical diversification. With a presence in 17 states, and solid presence in roads, buildings, bridges, canals, mining, and metro, your Company has proved its mettle as one of the fastest growing infrastructure company in the country. In last 5 years, we have laid approximately 9,300 lane kilometers of Road and Highways.
- With ~90% projects completed before deadline, and early completion bonus amounting to more than ₹ 4 billion over previous seven years, the Company has a shining track record when it comes to project delivery. We are continuously breaking new grounds and setting the bar higher for the industry standards on this important parameter.
- To maintain tight control on project timelines and costs, DBL is one of the largest employers in the industry with 35,153 employees and owns the highest number of equipment with 11,741 vehicles. Both these inputs are crucial to achieve timely completion of projects and to achieve undiluted quality control on our service delivery standards.
- We are aligned with minority shareholders in the company. In the infrastructure segment, your Company has the best-in-industry promoter holding at 75.6%.

We have two important focus areas, a) solid and consistent growth in Engineering, Procurement and Construction (EPC), b) best possible use of net block and adopting an asset light strategy. Your Company is working very hard to improve its already elevated stature in the infrastructure and construction

industry. This will help us in bidding for more lucrative projects and perform even better than previous years. While order book addition is priority, our focus is also on adding more high-quality projects which offer potentially higher margins and which require more sophisticated technical expertise. The other important initiative is Project clustering which helps in achieving higher efficiency and profitability. Diversification on geographies and sectors is helpful as we tide over any possible seasonally weak quarter thanks to our national footprint. By diversifying our skill set and order book across various geographies and businesses, we pursue a wide range of tenders and maximize our profit margins and business potential. We entered into different segments where we saw future business potential, equipment was fungible, where we could leverage our strengths and where we felt it was possible to geographically collaborate.

The Company will continue to leverage its strengths and keep expanding to capture a larger portion of the opportunity in the infrastructure sector. Our growth has been possible due to our professionalism, perseverance, and passion to excel. It is our objective to drive innovation across different levels in our business and form a sustainable operating and financial model. We hope that the issues marking our industry, like land acquisition, bank lending, and other disputes will be aggressively tackled progressively by the government, as this is crucial for the foundation of better opportunities in the infrastructure segment. With the abundant opportunities offered by the Indian economy and the strong, positive intent of the government, we are certain that our future path will lead us to more accomplishments and continuous profitable growth.

To conclude, I would like to thank the Board Members and all the stakeholders for their continuous trust, their strong belief and never ceasing optimism in the executive management of the company. With them remaining supportive, the vision of the company will be realised and our success in the infrastructure and construction industry will be a shining example of the entrepreneurial zeal of ordinary Indians.

Very Sincerely,

**Devendra Jain**

*Whole-time Director & CEO*

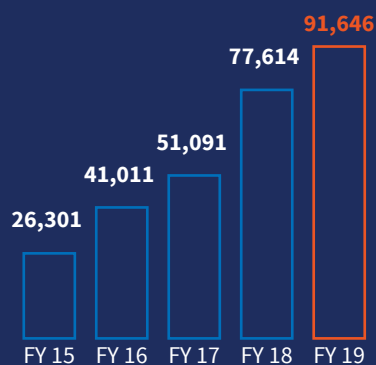
## ZUARI BRIDGE, GOA



# SUCCESSFUL BUSINESS PERFORMANCE

## REVENUE

(□ IN MN)

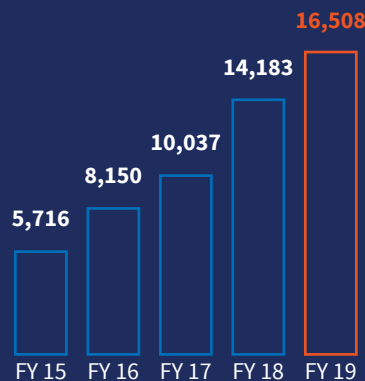


**31.59%**

5 YEARS CAGR

## EBITDA

(□ IN MN)

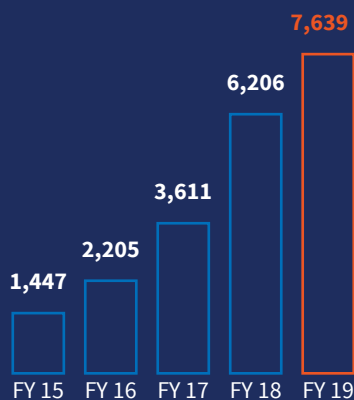


**28.21%**

5 YEARS CAGR

## PAT

(□ IN MN)

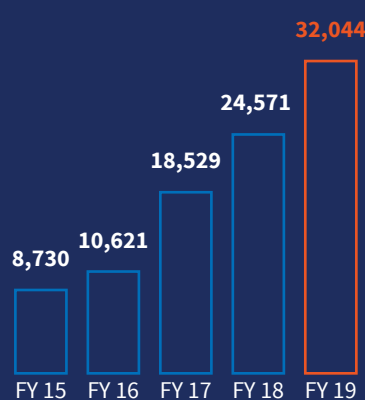


**31.39%**

5 YEARS CAGR

## NETWORTH

(□ IN MN)



**34.49%**

5 YEARS CAGR

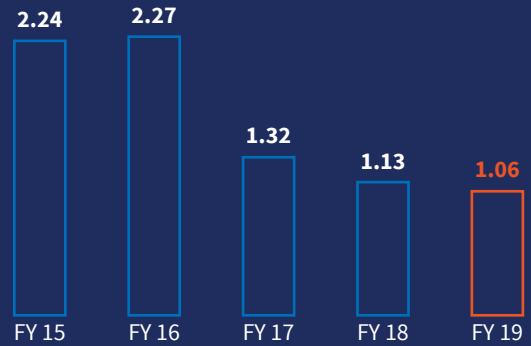
## NET DEBT/EBITDA

(TIMES)



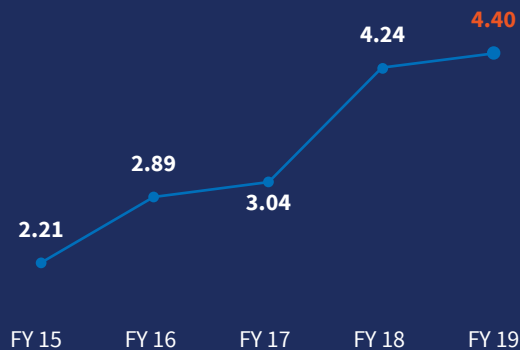
## NET DEBT TO EQUITY

(TIMES)



## ASSET UTILIZATION

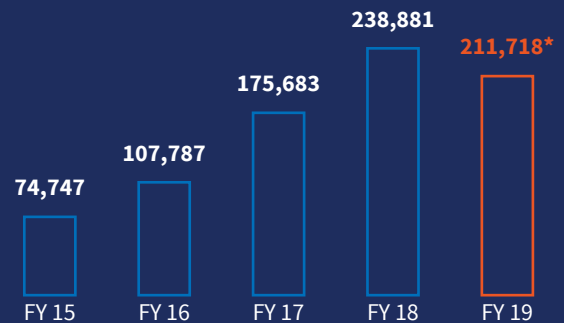
(TIMES)



## ORDER BOOK

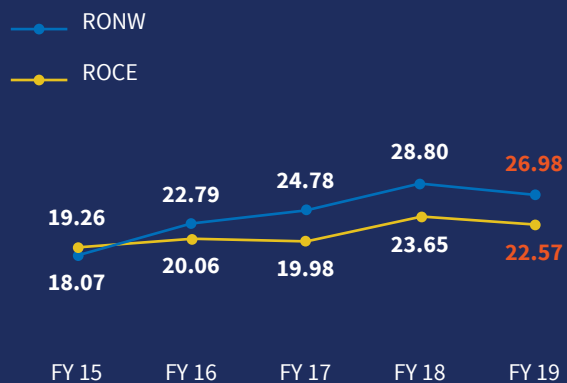
(□ IN MN)

\*Excluding GST



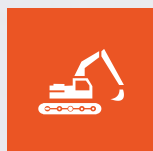
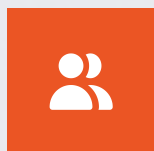
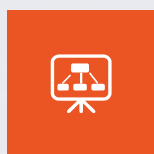
## RONW & ROCE (%)

(TIMES)



# BUSINESS MODEL

## Project Selection and Management



**Differentiated Business Model, focusing on roads and government contracts with equipment ownership, skilled manpower, minimal subcontracting and backward integration**



Cost-effective procurement



Equipment tracking and management for efficiency



Robust contract Management



Project tracking to minimize delays



Equipment tracking and management for efficiency



### Business Focus

- Focus on road EPC for government clients.
- Investment in equipment bank, process and control.
- Attract and retain talented employees.
- Opportunistically divest BOT assets.



### De-Risk business through diversification

- Geographical Diversification
- Segment Diversification
- Adhere to geographical clustering strategy

# STRATEGY



### Continuing focus on driving operating efficiency

- On time delivery
- Further enhance execution efficiency through innovation
- Strengthen IT systems and other internal processes



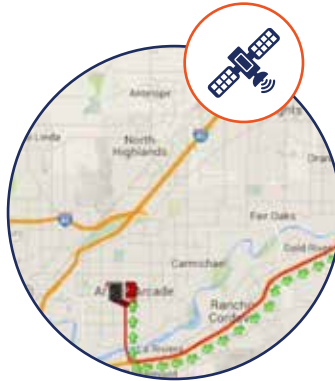
### Financial Performance

- Profitability through better project selection , timely execution and strict cost control
- Deleverage balance sheet to improve returns
- Focus on cash flow generation



### Drone Monitoring

Drones and UAV are emerging technologies used to reduce project time, improve safety and control project costs. UAV is used to collect engineering data at a construction site. With a high-quality camera and inbuilt gyro stabilization, the camera gives pin sharp images and 4K videos. Drones monitor progress at site, potential safety hazards, compute volumetric calculation, and keep pilferage and leakage under check



### GPS Monitoring

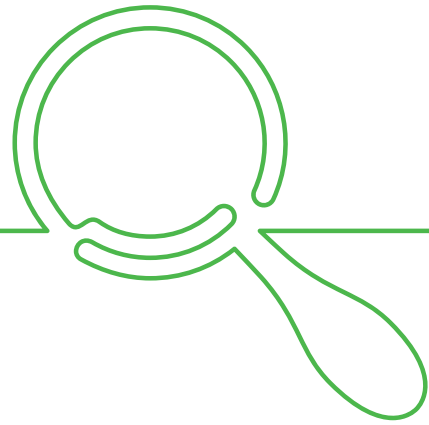
Global Positioning System (GPS) technology is used to track machine life, fuel usage, and consumables. The technology also provides mapping and replays vehicle location history with real time alerts and notifications. Using this technology, DBL is able to guide drivers and operators on the right path, enabling fuel savings of ~25%.



### Geo Green

GeoGreen is an initiative taken by DBL for environmental sustainability and to protect the soil from either side of their roads from eroding. The road construction process displaces a lot of soil and loosens earth, impacting the quality of land in the surroundings. To prevent this from happening, DBL plants thousands of trees and grows grass on dividers, beautifying the roads in the process.

# INNOVATION FOCUSED



### Soil Stabilization

Soil Stabilization is done using Fly Ash Wirtgen soil stabilizer to enhance soil properties. This process is a cost effective and an environment friendly techno-innovative solution for soil erosion. Due to non-availability of usable soil, DBL is forced to bring soil from faraway locations which costs a lot. Soil stabilization helps make the available soil usable.



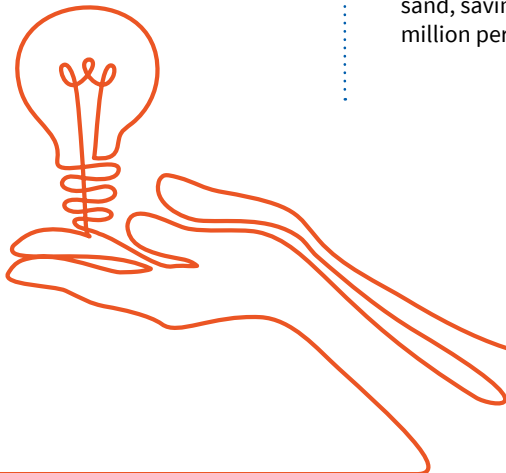
### Manufacturing Sand

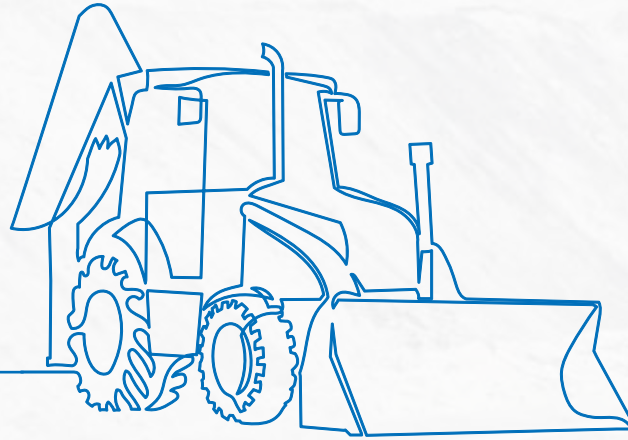
In keeping with its ethos of environmental sustainability, DBL manufactures sand for construction purposes. Not only does this method reduce dependence on government approved sand, it also relieves any adverse impact on the river banks. Concrete with manufactured sand has huge techno-commercial benefits. DBL's manufactured sand has completely replaced natural sand, saving up to INR 1,870 million per year.



### Re-Using Milled Material in Road Bases

Re-Using Milled Material in Road Bases using Wirtgen's milling machine is a great value addition to DBL's innovations. The process involves deploying Wirtgen's Milling Machines to separate available aggregate portions from existing roads. DBL then blends this material (40%) and fresh aggregate (60%) to suit the specifications. This process has been approved by Road Construction Authorities.





# BACKWARD INTEGRATION

Creating an ecosystem for self-sustainability



Reusing  
Materials



Road  
Furniture



Bus  
Shelter



Scaffolding



Octagonal  
Poles



Foundry



Thermoplastic  
Paints



Metal Beam  
Crash Barrier



Signage



RE Wall Mould



## In-house Capabilities

### Road Furniture

Breaking an industry trend, DBL opts to build backward integration capability to control all elements of the 'Design, Build and Operate' cycle. Aarneel Technocrafts, manufactures Geo Trel Mesh, Octagonal Pole, Metal Beam Crash Barrier, Guardrail, Road Signage, Scaffolding, RE Wall Mould, and Retroreflective Thermoplastic Paint. Ensuring a steady supply of quality road furniture, lowering cost and project completion time.

### Foundry

DBL reduces wastage and increases efficiency in the entire construction cycle by reducing material usage and reusing materials where possible. To cater to the in-house requirements, DBL plans to establish manufacturing facilities for Manganese Steel Castings for Crushers and Earthmoving Equipment consisting mainly of Jaw Plates, Cones, Tooth Points and more. The Foundry will repurpose metal scrap to facilitate reuse for road-furniture.



# COMMITTMENT TOWARDS SOCIETY



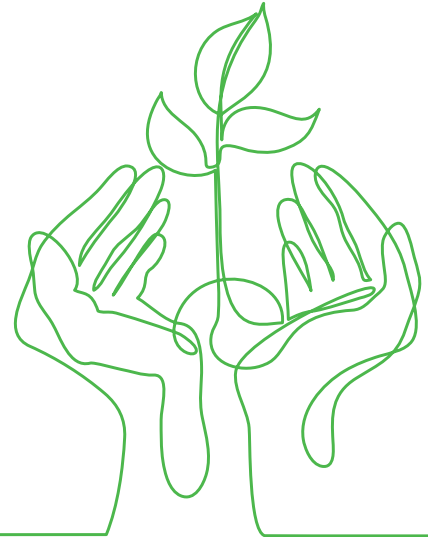
## A Drive for Cleanliness

Environment sustenance is a collective responsibility, and at DBL we strive to contribute towards a greener, cleaner and more sustainable ecosystem. DBL ensures proper waste disposal, effluents and emissions checking, among several other steps to prevent health and environmental hazards. Swacchata Pakhwada was conducted at various project and office locations, which stressed the importance of cleanliness to participants. The participants also planted trees and further collaborated for the success of the initiative.

## Road Safety

It has been a constant endeavour of DBL to spread road safety awareness by conducting events and involving maximum number of participants. The road safety awareness events were regular features at project sites and the participation remained enthusiastic as a result of tireless efforts of DBL officials. The participants were motivated by the involvement of government and political bodies. Safety measures, such as the use of barricades, right signage, and much more were taught.





### Run Bhopal Run

Fitness ensures a better quality of life. Maintaining our health is necessary as people are surrounded by stress, which affects the well-being of the body. DBL organised “Run Bhopal Run”, a marathon of 5 km and 11 km, meant to promote health and fitness. Hundreds of people took part in the event, the group which was also star struck by the presence of Kareena Kapoor Khan, Saif Ali Khan, and Tiger Shroff.

### Health Camp

The importance of health can never be overstated, for a better life and satisfaction levels. It is our responsibility to take care of our body to stay active and youthful. DBL organised numerous health camps, for blood donation, practicing yoga, supporting patients of paralysis, malaria and filariasis check-up, to promote health awareness. The camps achieved their goals of inspiring people to maintain proper health and develop a habit of regular check-ups.



# MANAGEMENT DISCUSSION & ANALYSIS

## 1. ECONOMIC OVERVIEW:

### 1.1 Global Economy

2018 turned out to be a good year for growth in global economic activity. International Monetary Fund (IMF) assessed the growth rate at 3.6% for 2018 and it was contributed by an accelerating growth momentum in almost all the important regions. However, the outlook has turned less promising in 2019. The world is experiencing turmoil and that results into weaker potential for economic growth and taking cognizance of these headwinds, IMF has moderated the economic growth expectation to 3.3% for 2019. Some of the other forecasts are even gloomier. For example, the World Bank expects global economic growth to moderate to 2.6% in 2019.

The primary reasons for this negative change in the prevalent scenario and relatively pessimistic outlook are related to serious trade tensions between the two global economic superpowers, USA and China, the election of Boris Johnson as British Prime Minister and increased possibility of a no-deal Brexit, the severe economic stress in countries like Turkey and Argentina and significantly increased possibilities of escalation in geo political conflicts in the Middle East and in the Korean peninsula. The somber mood could also be attributed to moderating growth in China and serious problems in several other emerging markets. The global economic environment is proving to be a challenge for many developing and advanced economies and India too is unlikely to remain isolated from these changes.

As a reaction to the increasing global risks and in its attempt to take precautionary measure to safeguard US economy, the US Federal Reserve has decided to cut the interest rates by 25 bps (100 basis points or bps is One Percentage Point) in their latest monetary policy decision on 31<sup>st</sup> July 2019. Though Fed has indicated that it is not a start of an aggressive rate cut cycle, how the Fed will move over next twelve months will be dependent on how important global macroeconomic factors will evolve. For global economy, the other important supportive variables will be a peaceful and mutually respectful resolution of US-China conflict on trade issues, a BREXIT which is amicable and acceptable to both Britain and European Union and

peaceful suspension, if not resolution of hostilities in geopolitics.

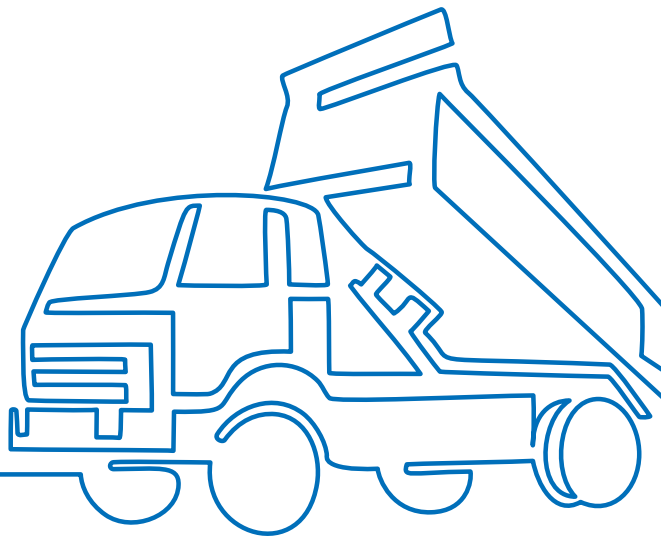
### 1.2 Indian Economy

India remains one of the fastest-growing economies in the world and despite a recent slowdown, the Indian economy continues to become more and more relatively important for the world. The GDP growth of the country was 7.2 percent in FY 2017-18 and around 7 % in FY 2018-19. This growth rate is not satisfactory from policymakers' standpoint and certainly below potential as compared to what is achievable for a country with low base and significant demographic advantage. But for the economy of India's size and how we are placed in the global order, it is still respectable. The most important differentiator is that, a) we are strong domestic consumption based economy and less dependent on exports for our growth, b) India is not just driven by traditional manufacturing and with 4,750 technological start-ups, the nation is the third largest start-up base in the world. The country is also central to the future economic development of the Asia-Pacific region.

But, this doesn't mean that we remain oblivious to the emerging challenges. The economic growth has been stalling in several important sectors and the data points on many lead indicators of the economy have turned less encouraging. There are concerns on fall in fixed investment growth, weak external sector, and tight financial conditions.

Nonetheless, handling of economy will require deft maneuvering as the risks are significant and real. The economy remains vulnerable to domestic and geopolitical risks, especially economic and political changes that can hurt current and fiscal account deficit. As of now, inflationary pressures is not a worry but that may change depending on progress of monsoon. In addition, concerns have risen on the twin deficit problem—current account deficit and fiscal deficit. While fiscal expansion remains key to accelerating growth, it may weigh on the government treasury if the private investment loses steam.

This requires a concerted and consistent policy response and with a stable Central Government under a dynamic



and responsive leadership, it is the need of the hour. Fixed investment will increase from good policies, strong disciplined spending by the government can support the demand and a more flexible monetary policy will help in mitigating the challenges. To reduce the burden of non-performing loans, the Government of India is prioritizing reforms in the public sector banks and expediting the resolution process for stressed assets. The success of initiatives like “Make in India”, which aim at enhancing the manufacturing sector of the country will also support the economy.

## 2. THE INFRASTRUCTURE INDUSTRY



### Industry Overview

Infrastructure sector is an important contributor to the growth and capacity creation in the Indian economy. It has always been crucial for the nation's development and particularly in the post economic reforms era, the Government has been relentlessly pursuing this with a renewed vigor and on a priority basis. The infrastructure sector has also been one of the key areas attracting Foreign Direct Investment (FDI) in Roads, Construction and development of housing and townships, Power Sector including Renewable Energy and Logistics. The government is also investing heavily in highways, urban transport, and renewable energy.



### Roads and highways

With roads covering 5.5 million km, India has one of the largest road networks in the world. These roads are responsible for transporting 64.5% of all goods and 90% of the country's total passenger traffic. Due to rapid urbanisation, road transportation in the country over the years has increased at a consistent pace. As a result, the purchase of automobiles by individuals and businesses has also increased significantly supporting the economic growth during FY 2017-18, the construction of highways touched 9,829 km. In December 2018, Ministry of Road Transport and Highways (MoRTH) touched a record 31.87

km per day average of national highway construction. The Government of India, in FY 2018-19, was aiming to construct 10,000 km national highway. Under Prime Minister's Gram Sadak Yojna (PMGSY), 47,447 km of roads were constructed in 2017-18.

In the Union Budget 2019-20, the Government of India has allocated ₹ 825 billion for the development of national highways. Nearly 98,204 units of construction equipment were sold, which is another record and it clearly indicated that activity levels in road sector remain at elevated level. The length of highways constructed during April 2018 - December 2018 was 6,715 km at a rate of 24.42 km per day and this was an encouraging trend

The Bharatmala Pariyojna is another key initiative of the Government to support development and construction of good quality roads. Under this program, the Ministry of Road Transport and Highways has identified stretches for development of about 9,000 km length of Economic corridors, about 6,000 km length of Inter-corridor and feeder roads, about 5,000 km length of National Corridors Efficiency improvements, about 2,000 km length of Border and International connectivity roads, about 2,000 km length of Coastal and port connectivity roads, about 800 km length of Expressways.

Indian government is also rapidly moving towards technology driven platforms for an increased transparency and for quick progress on important bottlenecks. For example, to efficiently sending out notification regarding land acquisition, the Government is using Bhoomi Portal, and this has led to a faster and more efficient process of land acquisition. The Government is also looking to increase corporate investment in the roads and shipping sector. As per the information from the Department of Industrial Policy and Promotion (DIPP), between April 2000 and December 2018, the Foreign Direct Investment (FDI) on projects related to construction development amount to USD 24.91 billion.

#### Following are a few developments in the Indian roads sector:

- The total length of national highways constructed in India, from April 2014 to March 2019, is 39,386 km.

- In December 2018, Ministry of Road transport and Highways touched a record 31.87 km per day average of national highway. The construction of national highway per day has increased from 11.6 km per day in FY 2013-14 to 26.9 km per day in FY 2017-18.

## Irrigation

The importance of irrigation sector in India lies in the fact that despite only contributing approximately 15% in GDP, Agriculture is the source of livelihood for around 50% of India's population, directly or indirectly. India's irrigation system is one of the largest in the world, when it comes to total capacity, irrigated area, large reservoirs, and total storage capacity. The government is working on several initiatives for improving water infrastructure.

Pradhan Mantri Krishi Sinchai Yojna which envisages an investment of ₹ 500 billion to develop irrigation sources for offering a permanent solution from water problems. The Government has also initiated other policies to improve water infrastructure in India, including AMRUT (Atal Mission for Rejuvenation and Urban Transformation) and Namami Gange. Furthermore, investments have been proposed by numerous agencies for supporting water supply and sewer projects for improving the quality of urban life.

## Urban Development

With increasing urbanisation, cities are expected to house nearly 40% of the country's population and will contribute to 75% of the GDP by the year 2030. As of FY 2018-19, more than 100,000 Indians live in major cities. With the objectives of better quality of life for citizens, sustainable growth, consistent development and creation of investment opportunities in urban areas, the Government of India has launched the following initiatives:

- Smart Cities Mission
- Atal Mission For Rejuvenation And Urban Transformation (AMRUT)
- Pradhan Mantri Awas Yojana- Housing For All (URBAN)
- Promoting Affordable Housing
- National Investment and Infrastructure Fund (NIIF)

The Government is also allocating significant funds for 'Mass Rapid Transit System' and 'Metro Projects' initiatives. In 27 cities, metro rail of length 791 kilometers are under construction, and a network of 657 kilometers in 18 cities is now operational in the latest budget, the government has declared that they are planning to commission around 41 kilometers of new metro lines in the year FY 2019-20.

Source: IMF, IMF's Asia Pacific Regional Economic Outlook Report, United Nations, World Bank, Livemint, IBEF, MoRTH, Press Information Bureau, NHAI, Economic Times, MORW, Research, Make in India, Indian Railways, Ministry of Railways, Ministry of Shipping, Care Ratings, Union Budget, Ministry of Coal, Worldsteel.org, Ministry of Statistics and Programme Implementation, Ministry of Mines, Ministry of Housing and Urban Affairs

## Mining

With a production of 739.36 million tonnes in FY 2018-19, India is the third largest coal producer in the world. In iron ore production the country is amongst the top producers of iron ore globally, with total production growing to around 220 million tonnes in FY 2018-19. The Government of India, with an intent of a major reform in the sector, has allowed private sector companies in the coal mining industry to participate in the commercial mining. The detailed processes regarding the allocation of coal blocks via vide auction is under formulation. This is a step towards making the coal market dynamic and competitive.

## Railways

In the Union Budget 2019-20, the Government of India allocated ₹ 1.59 trillion (USD 22.04 billion) to the Ministry of Railways. The government is encouraging private companies to take part in rail projects, which were earlier reserved for public sector only. The Central Government has approved projects, which allow private ownership of a few railway lines. The Indian Railways is planning to complete electrification in the next five years, which will help in saving energy worth ₹ 100 billion. Numerous changes are being brought about in the metro policy. In new metro projects, Public-Private Partnership (PPP) has become essential for central assistance. Projects are now being implemented on EPC basis, which is a deviation from the BOQ methods. In FY 2018-19, High Speed Rail Projects on fast-track tendering will commence, and Indian Railways is laying the groundwork for the highest outlay of ₹ 1.46 trillion.

## Ports

The Indian ports manage nearly 95% of the international trade volume of the country. With a surge in trade and participation of private players, the activity is set to increase in this sector. By the end of FY 2018-19, India's major ports had a capacity of 1,477 million tonnes (MT). Major ports in India handled 699.05 MT of cargo traffic in FY 2018-19, which implies a growth of 2.7% in the FY 2018-19. The Indian ports sector is experiencing a rise in interest by both domestic and foreign private port operators and investors. Other than the construction of ports and terminals, the private sector is also focusing extensively on port logistics services.



### 3. COMPANY OVERVIEW

Dilip Buildcon Limited (DBL) is India's foremost infrastructure company, with strong capabilities in roads & bridges, metro, water sanitation, mining, dams, sewage treatment, irrigation projects and construction and development of residential and commercial buildings. The company is present in more than 17 states, and the current order book is ₹ 211.7 billion. DBL has not only been among the fastest growing infrastructure and construction in previous five years, it is also the largest owner of construction-related equipment with 11,741 vehicles. DBL's time management skills are unmatched with more than 90% of the projects getting completed before deadline, suitable reflected in receipt of early completion bonus of ₹ 4,373 million in the last seven years by the company.

#### **DBL's Key competitive advantages**

DBL is in the business which is very competitive and we take pride in the fact that we have been growing above industry average since inception. The bigger achievement is that this growth doesn't come at the cost of profitability and we work with margins which are conservatively calculated and continuously monitored for any unwanted variations. This is only possible because of the fact that DBL is nimble in its decision making and uncompromising standards on execution.

As a result, DBL is today synonymous with punctuality, excellence and delivering high-quality projects on time and it has been possible due to our robust business model, which integrates in-house designing, ownership of the latest equipment, exclusive team, selecting projects after wholesome analysis, capability to execute anywhere in the country, and strong relationships with customers all over the nation. Our major competitive advantages are as follows;

#### **Backward integration for capturing the value better and control over value chain**

Going against the flow and prevailing conventional

wisdom, DBL has excelled in building backward integration capability for controlling the cycle "Design, Build, and Operate". For a continuous supply of equipment, which is good in quality and also cost-effective, we very closely work with our dedicated suppliers. This strategy offers crucial input in completing projects on time.

DBL considers it a responsibility to reduce waste, keep a check on pollution, and improve efficiency. We do this by reducing the usage of materials and reusing them whenever possible. For in-house requirements, DBL is considering to install more equipment like Manganese Steel Castings for Crushers, and Earthmoving Equipment which consists of jaw plates, tooth points, cones, and much more. For reusing the road furniture, the foundry repurposes the metal scraps.

#### **Equipment ownership for better execution and cost control**

A fleet of 11,741 latest equipment empowers mobilization, availability, and prudent jurisdiction over execution. The delays and expenditures due to unfortunate breakdowns are also eliminated. All the equipment in the fleet are of the same model and company, so as to ensure the availability of spare parts, and huge savings due to maintenance. To track the whereabouts of the tools, Global Positioning System (GPS) is installed in each of them. They are operated by trained full-time workers to ensure maximum efficiency.

#### **In-house design, engineering and construction for maintaining consistent quality**

DBL has one of the largest in-house execution teams in India, with a total workforce of 35,153. Your Company has extensive experience in completing large infrastructure projects in different sectors including bridges & culverts, roads and highways, canals, dams, tunnels, coal mining and water supply projects. The entire process is monitored by our in-house design, construction, and engineering team. The team is responsible for overseeing the projects right from the blueprint to its commissioning. This helps in customising the projects as per the client's needs and

minimise the dependence of third parties.

#### **Extensive geographical reach and no major region is unfamiliar for DBL**

We are present in 17 states in India, due to which we cover almost 85% of the country in geographic expanse. In 2009, we had diversified our geographical presence for the first-time outside Madhya Pradesh by entering Himachal Pradesh. Over previous ten years, we have won and executed projects across the length and breadth of the country, from West Bengal in East to Gujarat in West and from Himachal Pradesh and Punjab in North to Tamil Nadu and Kerala in South. DBL has been able to successfully manage project bidding, execution and workforce mobilization challenges across several different regions of the country and has proved that your Company is not restricted to a particular geographical area. The creation of infrastructure and as a result, construction activity is very dynamic and regions of high growth opportunity keep evolving. Presences in multiple regions isolate DBL from getting negatively impacted in temporary slow down in any one area.

#### **Valuable client relationships which withstood the test of time and are not replicable easily**

We have established relationship with public sector clientele and on the back of our track record, excellent pre-qualification credentials. DBL has focusing more on EPC projects, from the State and Central governments and with a diversified clientele, our business has lower payment/receivable risks. We are proud to have worked on projects awarded by the State and Central governments and authorities like MoRTH, NHAI, Northern Coalfields Limited, Singareni Collieries Limited, and State Government.

DBL's working relationship with every project sponsorship authority in India is cordial. We possess the qualifications required to bid for a project up to the ticket size of ₹ 25.65 billion for BOT, ₹ 28.50 billion for HAM and ₹ 12.54 billion for EPC. Our technical and financial qualifications are a result of proper execution of previous projects and transparent financials.

#### **Relentless focus on cost control and working capital management**

Our working capital management benefits from our decision to concentrate more on higher margin projects and excellent project management skills. It is our endeavor to lessen the Net Working Capital further by reducing inventory, and improving the share of mining which has fortnightly payments.

#### **4. RISKS, CHALLENGES AND HOW DBL WORKS ON THEIR MITIGATION**

The infrastructure sector is the backbone of

India's socio-economic development. However, it is marked by new risks and concerns every year. While performing in a dynamic environment, DBL has designed a comprehensive framework for the classification, handling, and moderation of risks. Some of the risk mitigation strategies are as follows:

##### **Competition risks**

DBL is competing with several other companies for the acquisition of concessions for projects. After intense competition for two decades and in some cases irrational bids as well, the competition has become more prudent. The companies are becoming cautious and making rational bids.

**Mitigation:** Since the market is shaped by the competition, the Company changes its policies and processes in accordance with the trends so as to ensure a sustained business plan. We make efforts to complete the project before the stipulated time and within the budget. This helps us to earn the early completion bonus, which directly impacts our income and adds to the margins.

##### **Timely completion of the project**

While completing infrastructure projects, especially the BOT projects, on-time completion can be the most crucial for the financial viability of the project. Any stress on the completion time will affect the financial model and hence, margins and returns on the project. This year, apart from issues like land acquisition and project clearances, the cash flow was also tightened due to increased scrutiny by lenders and payment approving authorities. All these factors contributed to the delay in the delivery of a few projects.

**Mitigation:** The Company proactively treats these issues as top priority and assists the Authorities in the processes related to obtaining land acquisition and clearances.

##### **Capital-intensive business risk**

The infrastructure sector depends heavily on capital investment. The availability of funds is central to bidding for projects, especially under BOT-toll and hybrid annuity models.

**Mitigation:** Our working capital cycle is carefully optimised. We first pool our assets and resources which will be employed for completing various projects within geographical proximity. As a result of our high credit rating, we are able to get loan facilities at competitive rates of interest. The company's debt-equity ratio

has reduced considerably, which indicates smart deployment of funds and healthy internal accruals.

#### **Input cost risk**

It is essential that the right material of high-quality be available in the desired quantity to deliver the projects on time. A sudden increase in the input costs directly impacts the margin.

**Mitigation:** The Company does not involve in the sub-contracting and ensure an optimal use of equipment, proper construction activities, and the use of our own mines and crushers for meeting the demands of stone aggregates. Other important raw materials are purchased directly for market leaders to guarantee the right quality, price, and on-time supply. To safeguard our margins, we enter relevant cost escalation provisions in our contracts with customers.

#### **Labour risk**

Our workforce is the most important asset in our business. We pay attention to their needs and ensuring that the work environment promotes professionalism and efficiency. Great care is taken from the time of recruitment of personnel to their continuous growth as skilled professionals. This is an issue which is being dealt by the whole industry.

**Mitigation:** The company focuses on forming a group of motivated individuals who have the passion and zeal to work hard and excel in the industry. The employees must be goal-oriented and commit to exceed expectations of the clients. The incentives provided are at par with the industry standards. Training and team building activities are conducted periodically to reduce stress and increase efficiency. All employees are provided generous retirement benefits, social security measures, and self and family welfare schemes.

#### **Debt Financing Risk**

The Company has considerable debt and is prone to the risks of debt financing. The amount of debt and the boundaries levied on the Company, by past or present loan deals, can have severe consequences. This is also dependent on the cost of borrowing.

**Mitigation:** Our talented and skilled team sees to it that the risks are managed adequately by measures like adequate cash flow planning.

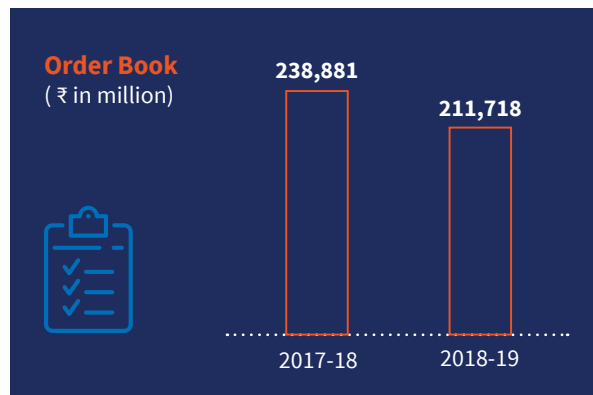
## 5. DBL's Financial and Operational Performance

### Overview of Performance for DBL as Consolidated entity

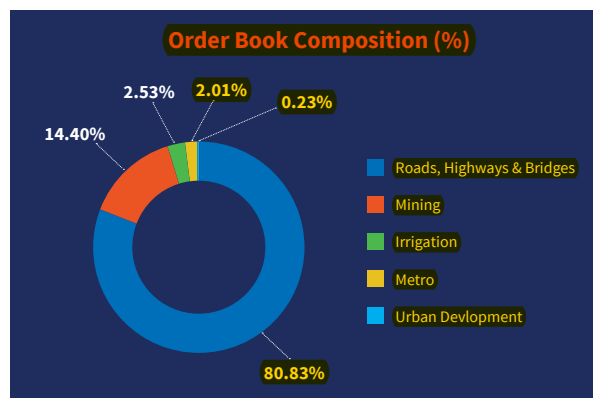
The Company's performance during the year FY 2018-19 has been satisfactory considering the challenging environment we are operating in. The company has been focusing on efficient conversion of order book into revenues and relentlessly pursuing operational excellence along with maximum possible cash conservation to enhance shareholder value.

### Order Inflow and Order Book

DBL group secured new orders worth ₹ 61,257 million for the year 2018-19, reflecting a slight decrease of 3.07% over the previous year. This is driven by the fact that DBL has remained consistently disciplined in bidding for projects and the margins beyond which we will not compromise only for the sake of winning projects. We want to work on maximum number of possible projects but not at the cost of profitability and that philosophy remains at the core of whatever projects we want to choose and work on.



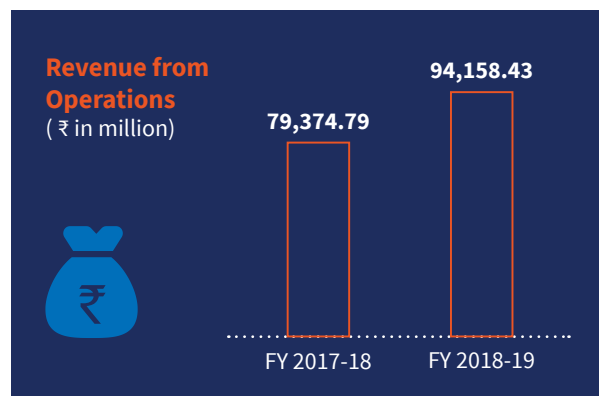
### Order Book Composition



### Revenue from Operations

The Group revenue rose by 18.6% y-o-y to ₹ 94,158.43

million for the financial year 2018-19 from ₹ 79,374.79 million for financial year 2017-18. The growth was largely contributed by growth in contract revenue and other operating revenue.



#### Operating Cost and PBDIT

Manufacturing, Construction and Operating (MCO) expenses increased by 18.02% y-o-y at ₹ 72,000.35 million, in line with revenue growth. These expenses mainly comprise cost of construction and change in inventories. Staff expenses for the year 2018-19 at ₹ 1,787.68 million increased by 15.68% as compared to the previous year amounted to ₹ 1,545.33 million mainly due to Salaries, wages and bonus.

The Group operating profit (PBDIT) grew by 19.69% y-o-y at ₹ 18,107.14 million for the year 2018-19 as compared to ₹ 15,128.89 million in the previous year.

#### Depreciation and Amortisation Expenses

Depreciation & Amortisation charge for the year 2018-19 higher by 24.05% at ₹ 3,621.95 million as compared to ₹ 2,919.64 million in the previous year.

#### Other Income

Other income for the year 2018-19 higher by 174.98% at ₹ 473.12 million as compared to ₹ 172.06 million of the previous year.

#### Finance Cost

The interest expense for the year 2018-19 at ₹ 8,718.61 million was higher by 47.85% in comparison to ₹ 5,897.05 million for the previous year with increase in the level of borrowings.

#### Profit after Tax

Consolidated Profit after Tax (PAT) at ₹ 5,463.56 million for the year 2018-19 fell by 5.47% as compared to ₹ 5,779.72

million in the previous year

#### Earning Per Share

Consolidated Earnings per share (EPS) including for the year 2018-19 at ₹ 40.03 recorded a decrease of 5.23% over the previous year.

#### Net Worth and Returns

The Net Worth of the shareholders stood at ₹ 28,347.95 million as at March 31, 2019. Return on Net worth (RONW) for the year 2018-19 is 19.27% as compared to 25.23% in the previous year.

#### Liquidity and Gearing

Stronger underlying business performance contributed higher cash from business operations at ₹ 14,130.48 million. Total short term and long-term borrowings during the year stood at ₹ 69,503.23 million, changed by ₹ 22,139.04 million for expansion of the business operations. Out of total borrowings, non-current borrowings and current borrowings are amounting to ₹ 48,201.93 million and ₹ 21,301.31 million respectively. Capital work in Progress stood at ₹ 27,358.31 million whereas Intangible assets under development amounting to ₹ nil. Cash balances increases to ₹ 5,210.93 million in FY 2018-19 as compared to ₹ 2,945.52 million in the previous year.

#### Consolidated Cash Flow Statement

(₹ in million)

Particulars	2018-19	2017-18
Net Profit Before Tax	5,766.58	6,312.20
Operating Profit Before Working Capital Changes	19,020.09	15,049.28
Cash generated from operations	15,450.89	14,525.16
Income Tax Paid	(1,320.41)	(1,532.00)
A. Operating Activities	14,130.48	12,993.16
B. Investment Activities	(25,120.62)	(15,180.65)
C. Financing Activities	13,255.55	3,502.68
Cash & Cash Equivalents (A+B+C)	2,265.42	1,315.19
Add: Cash and Cash Equivalents at the beginning	2,945.52	1,630.33
Cash and Cash Equivalents at the end	5,210.93	2,945.52

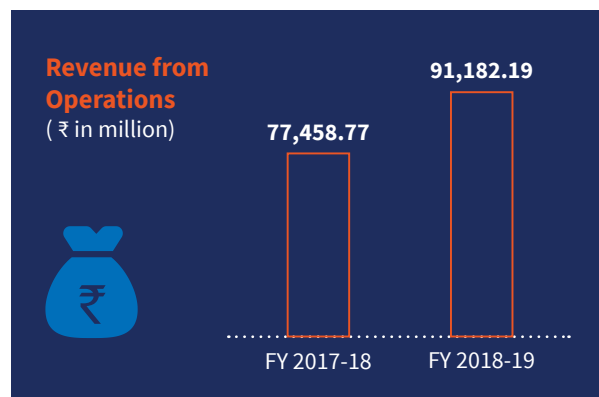
The total borrowings as at March 31, 2019 stood at ₹ 69,503.23 million as compared to ₹ 47,364.18 million.



## Overview of Performance for DBL as Standalone entity

### Revenue from Operations

Revenue from Operation The revenue rose by 17.72% y-o-y to ₹ 91,182.19 million for the financial year 2018-19 from ₹ 77,458.77 million for financial year 2017-18. The growth was largely contributed by contract revenue and other operating revenue.



### Operating Cost and PBDIT

Manufacturing, Construction and Operating (MCO) expenses increased by 18.74% y-o-y at ₹ 71,340.03 million, in line with revenue growth. These expenses mainly comprise cost of construction and change in inventories. Staff expenses for the year 2018-19 at ₹ 1,773.56 million increased by 16.38% as compared to the previous year

amounted to ₹ 1,523.98 million mainly due to Salaries, wages, bonus, Provident fund, ESIC, Employee welfare and Directors Remuneration. The Group operating profit (PBDIT) grew by 17.95% y-o-y at ₹ 16,550.34 million for the year 2018-19 as compared to ₹ 14,031.10 million in the previous year.

### Depreciation & Amortisation

Depreciation & Amortisation charge for the year 2018-19 higher by 16.45% at ₹ 3,201.88 million as compared to ₹ 2,749.55 million in the previous year.

### Other Income

Other income for the year 2018-19 higher by 198.92% at ₹ 463.89 million as compared to ₹ 155.19 million of the previous year. This is mainly due to Interest from banks on deposits.

### Finance Cost

The interest expense for the year 2018-19 at ₹ 5,298.79 million was higher by 14.09% in comparison to ₹ 4,644.38 million for the previous year with increase in the level of borrowings.

### Profit After Tax

Standalone Profit after Tax (PAT) at ₹ 7,638.50 million for the year 2018-19 rose by 23.08% as compared to ₹ 6,206.30 million in the previous year

### Earning Per Share

Standalone Earnings per share (EPS) for the year 2018-19 at ₹ 55.93 recorded an increase of 23.32% over the previous year.

### Net Worth, Capital employed and Returns

The Net Worth of the shareholders at ₹ 32,044.22 million as at March 31, 2019 increased by ₹ 7,473.62 million as compared to ₹ 24,570.60 million as at March 31, 2018. Return on Net worth (RONW) for the year 2018-19 is 23.84% as compared to 25.26% in the previous year. Capital employed increased to ₹ 65,919.75 million for the year 2018-19 as compared to ₹ 52,370.11 million in the previous year.

### Liquidity and Gearing

Stronger underlying business performance contributed higher cash from business operations at ₹ 9,578.54 million. Out of total borrowings, long term borrowings during the year stood at ₹ 11,459.72 million whereas short term borrowings stood at ₹ 20,552.47 million.

Cash balances increases to ₹ 1,887.95 million in FY 2018-19 as compared to ₹ 1,612.98 million in the previous year.

### Standalone Cash Flow Statement

(₹ in million)

Particulars	2018-19	2017-18
Net Profit Before Tax	8,049.68	6,637.18
Operating Profit Before Working Capital Changes	17,378.39	13,805.53
Cash generated from operations	11,182.12	5,696.49
Income Tax Paid	(1,603.58)	(1,504.29)
A. Operating Activities	9,578.54	4,192.20
B. Investment Activities	(8,149.94)	(4,559.53)
C. Financing Activities	(1,153.63)	843.34
Cash & Cash Equivalents (A+B+C)	274.97	476.01
Add: Cash and Cash Equivalents at the beginning	1,612.98	1,136.97
Cash and Cash Equivalents at the end	1,887.95	1,612.98

## 6. Internal Control Systems and its Adequacy

To safeguard our assets and resources, the company has relevant internal control systems which meet the requirements of an organization of DBL's size and the businesses we conduct. It is ensured that all the resources are acquired in an economical manner and they are protected from any kind of misuse. All the transactions

conducted are ratified, logged and reported to the right personnel.

Information Technology (IT) is essential to DBL as it smoothenes all the processes and binds the company as a unit. As a result, decision-making is quick and informed, the operations are disciplined, and the brand reputation is boosted. DBL also utilizes ERP solutions on its SAP platform to streamline its business operations. Ultimately, comprehensive data is collected which provides valuable insights, makes decision-making easy, and secures sensitive information. To strengthen this sector in the organisation, the company has aligned its business model to suit the economic and sectoral realities.

The internal control system is supported well by the company's policies, procedures, guidelines, and the reviews carried out by the internal audit department in the company. In accordance with the annual audit plan, various departments of the company are audited by internal auditors, and the reports are submitted to the Audit Committee of the Board and the management periodically.

## 7. Human Capital



As of 31st March 2019, the number of employees in the company is 35,153. Talent management has always been a crucial factor for DBL, as it assists in transforming the vision into a reality. It is an essential business function and a responsibility, which helps in ensuring a bright future of the organization by offering better opportunities in the company. The objective is to consistently build a pool of talented individuals who can sustain growth and move the company closer to its goals.

The company sees to it that both moral and financial support are given to the employees for their growth. The company ensures constant motivation of the workforce by the following:

Retirement Benefits & Social Security Measures: To provide retirement benefits to the employees and their legal heir/

family members, the company has provided the Provident Fund benefits to all the employees working for the company. Over 35,153 employees/ are getting benefited from this scheme. The other Social Security and Employee Welfare schemes cover the following special benefits and privileges :

- Pension benefits due to death/ total permanent disability/ retirement
- EDLI benefits due to death and total permanent disability
- Gratuity benefits
- Group personal accident insurance policy
- DBL employees voluntary benevolent fund scheme
- Workmen compensation policy and ESI benefits
- Group Mediclaim insurance policy

**There are also several liberal and flexible policies and welfare schemes for the employees of DBL including**

- Leave benefits
- Loans & advances
- Camp accommodation
- House rent benefits
- Transportation benefits

- Subsidized mess facilities
- Medical reimbursement benefit
- Special allowance on transfer to south/ Jharkhand/other hardship zone
- Free child education policy for drivers & operators
- One Lakh gift policy for daughter's marriage of drivers & operators

## 8. Cautionary Statement

Statements made in this Management Discussion and Analysis Report may contain certain forward-looking statements based on various assumptions on the Company's present and future business strategies and the environment in which it operates. Actual results may differ substantially or materially from those expressed or implied due to risk and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India and abroad, volatility in interest rates and in the securities market, new regulations and Government policies that may impact the Company's businesses as well as the ability to implement its strategies. The information contained herein is as of the date referenced and the Company does not undertake any obligation to update these statements. The Company has obtained all market data and other information from sources believed to be reliable or its internal estimates, although its accuracy or completeness cannot be guaranteed.

# BUSINESS RESPONSIBILITY REPORT

## About this Report

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 prescribe that to 500 Companies based on market capitalization as per NSE/BSE as on 31st March of every financial year are required to have "Business Responsibility Report" (BRR) as part of their Annual Report. Dilip Buildcon Limited being one of the top five hundred companies based on the market capitalisation as on 31st March, 2019, this report has been prepared as prescribed and in accordance with Regulation 34 of the SEBI (LODR) Regulations, 2015.

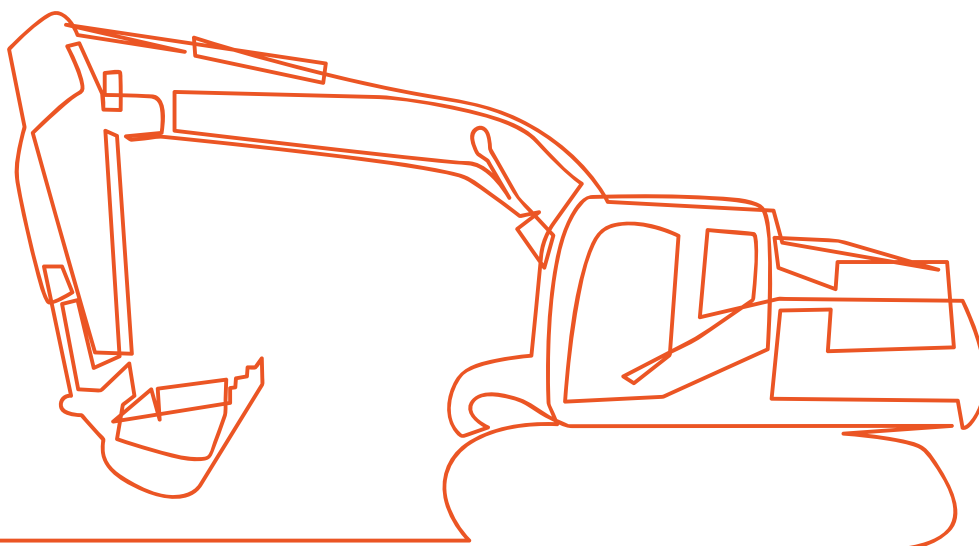
## About Dilip Buildcon Limited

Dilip Buildcon Limited (DBL) is the largest road construction company in India. Over the years, since its incorporation in 2006, through outstanding track performance of constructing landmark infrastructure projects in record time, DBL has moved to a different league altogether. DBL's strength lie in its ability to execute projects on time, within cost and of the highest quality. Its clientele in the road segment includes National Highway Authority of India (NHAI), state governments and private companies. The company is also an established player in irrigation, urban development and mining segments

## Section A: General information about the company

1. Corporate Identity Number (CIN) of the Company - **L45201MP2006PLC018689**
2. Name of the Company - **Dilip Buildcon Limited**
3. Registered address - **Plot No 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.) India, Ph.:0755-4029999, Fax: 0755-4029998**
4. Website - **www.dilipbuildcon.com**
5. E-mail id - **db@dilipbuildcon.co.in**
6. Financial Year reported - **April 1, 2018 – March 31, 2019**
7. Sector(s) that the Company is engaged in (industrial activity code-wise)

Group	Class	Sub-class	Description
421	4210	42101	Construction and maintenance of motorways, streets, roads, other vehicular and pedestrian ways, highways, bridges, tunnels and subways.
422	4220	42204	Construction and maintenance of water main and line connection, water reservoirs including irrigation system (canal)
429	4290	42903	Construction of dams etc
051	0510	05101	Opencast mining of hard coal
431	4312	43121	Site preparation for mining including overburden removal and other development and preparation of mineral properties and sites except oil and gas sites



**8. List three key products/services that the Company manufactures/provides (as in balance sheet)**

- i) Construction of Roads and Highways related activity,
- ii) Irrigation activity
- iii) Urban Development and Mining activity

**9. Total number of locations where business activity is undertaken by the Company**

- i) Number of International Locations (Provide details of major 5): Not Applicable
- ii) Number of National Locations

The Company has built an extensive reach of 17 locations across length and breadth of the country.

S No.	Name of States
1	Andhra Pradesh
2	Chhattisgarh
3	Goa
4	Haryana
5	Jharkhand
6	Karnataka
7	Maharashtra
8	Madhya Pradesh
9	Punjab
10	Rajasthan
11	Telangana
12	Uttar Pradesh
13	West Bengal
14	Gujarat
15	Tamil Nadu
16	Himachal Pradesh
17	Odisha

**10. Markets served by the Company**

Local/State and National Level markets in India.

## Section B: Financial details of the company

1. **Paid up Capital (INR)** – 13,676.98 Lakhs
2. **Total Turnover (INR)** – 9,11,821.93 Lakhs
3. **Total profit after taxes (INR)** – 76,494.07 Lakhs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) (INR) The Company total spending on CSR for the year ended 31st March, 2019 was ₹ 107.94 lakhs which is 0.25 % of the Average net profit of last three years. Computed as per the provision of the Companies Act, 2013.
5. **List of activities in which expenditure in 4 above has been incurred: -**  
FY 2019
  - i) Promoting Health and Preventive Care
  - ii) Education
  - iii) Promoting Sports
  - iv) Rural Development Projects

## Section C: Other Details

### 1. Does the Company have any Subsidiary Company/ Companies?

Yes, the company has 33 SPVs (includes Wholly Owned Subsidiaries, Subsidiaries and Associates) as on 31st March, 2019. The details are as follows.

Suryavanshi Infrastructure Private Limited	Wholly Owned Subsidiary	DBL Tuljapur Ausa Highways Limited	Subsidiary
DBL Nadiad Modasa Tollways Limited	Associate	DBL Yavatmal Wardha Highways Private Limited	Wholly Owned Subsidiary
DBL Ashoknagar-Vidisha Tollways Limited	Associate	DBL Mahagaon Yavatmal Highways Private Limited	Wholly Owned Subsidiary
DBL Betul-Sarni Tollways Limited	Wholly Owned Subsidiary	DBL Wardha Butibori Highways Private Limited	Wholly Owned Subsidiary
DBL Tikamgarh-Nowgaon Tollways Limited	Wholly Owned Subsidiary	DBL- VPR Mining Private Limited	Subsidiary
DBL Hata – Dargawon Tollways Limited	Wholly Owned Subsidiary	DBL Chandikhole Bhadrak Highways Private Limited	Wholly Owned Subsidiary
DBL Patan - Rehli Tollways Limited	Subsidiary	DBL Bangalore Nidagatta Highways Private Limited	Wholly Owned Subsidiary
Jalpa Devi Tollways Limited	Wholly Owned Subsidiary	DBL Anandapuram Anakapalli Highways Private Limited	Wholly Owned Subsidiary
DBL Mundargi Harapanahalli Tollways Limited	Wholly Owned Subsidiary	DBL Gorhar Khairatunda Highways Private Limited	Wholly Owned Subsidiary
DBL Hassan Periyapatna Tollways Limited	Wholly Owned Subsidiary	DBL Nidagatta Mysore Highways Private Limited	Wholly Owned Subsidiary
DBL Hirekerur Ranibennur Tollways Limited	Wholly Owned Subsidiary	DBL Rewa Sidhi Highways Private Limited	Wholly Owned Subsidiary
DBL Lucknow Sultanpur Highways Limited	Wholly Owned Subsidiary	DBL Byrapura Challakere Highways Private Limited.	Wholly Owned Subsidiary

DBL Kalmath Zarap Highways limited	Wholly Owned Subsidiary	DBL Mangloor Higways Private Limited	Wholly Owned Subsidiary
Jalpa Devi Engineering Private Limited	Wholly Owned Subsidiary	DBL Sangli Bargaon Highways Private Limited	Wholly Owned Subsidiary
Bhavya Infra & Systems Private Limited	Wholly Owned Subsidiary	DBL Bargaon Watambare Highways Private Limited	Wholly Owned Subsidiary
DBL Mangalwedha Solapur Highways Pvt. Ltd.	Wholly Owned Subsidiary	DBL Bellary Byrapura Highways Pvt. Ltd.	Wholly Owned Subsidiary
DBL Pachhwara Coal Mine Pvt. Ltd.	Wholly Owned Subsidiary		

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

No

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**

No, but Dilip Buildcon Limited encourages its associates and partners to participate in the Business Responsibility initiative.

#### Section D: BR Information

##### 1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

S. No.	Particulars	Details
1	DIN Number	00039944
2	Name	Dilip Suryavanshi
3	Designation	Chairman and Managing Director

(b) Details of the BR head

S. No	Particulars	Details
1	DIN Number	00039944
2	Name	Dilip Suryavanshi
3	Designation	Chairman and Managing Director
4	Telephone Number	0755-4029999
5	E-mail Id	investor@dilipbuildcon.co.in

##### 2. a) Principle-wise (as per NVGs) BR policy/policies (Reply in Y/N)

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the well-being of all employees
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Businesses should respect and promote human rights.

P6	Businesses should respect, protect and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

S. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for.....	Y	Y	Y	Y	Y	Y	Y	Y	NA
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	NA
3	*Does the policy conform to any national/ international standards? If yes, specify? (50 words)	N	N	N	N	N	N	N	N	NA
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	NA
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	NA
6	Indicate the link for the policy to be viewed online?	<b>Policies are available in the company's website:</b> <a href="http://www.dilipbuildcon.com/wps/portal/dbl/investors/corporate-governance">http://www.dilipbuildcon.com/wps/portal/dbl/investors/corporate-governance</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key stakeholders								
8	Does the company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	NA
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	NA
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	NA

#### Principle wise Policies

P1	Ethics, Transparency & Accountability	The Company follow highest level of Corporate Governance and ethics. It has adopted internal Guidelines on Corporate Governance, Vigil Mechanism, KYC, Code of Ethics and Business Conduct, Fair Practice Code, Policy on Related Party Transactions, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI). Also refer detailed report on Corporate Governance which is part of Annual Report for the Financial Year 2018-19.
P2	Sustainability in Life cycle of product	The Company complies with regulations governing its products and services and has taken initiatives to promote inclusive growth and environmental sustainability. The Company has a Corporate Social Responsibility Policy. The Company has also formulated the Fair Practice Code.
P3	Employee wellbeing	In line with the general laws and regulations and sound ethical practices followed, the Company has adopted employee-oriented policies covering areas such as employee benefits, leave, travel, relocation, staff loans, work schedule, work environment, dress code & grooming standard, insurance benefits and sexual harassment at the workplace which endeavour to provide an environment of care, nurturing and Opportunity to accomplish professional aspirations. In addition to the above, the Company has also formulated Nomination & Remuneration Policy & Vigil Mechanism Policy of the Company.
P4	Stakeholders Engagement	The Company has adopted the Corporate Social Responsibility Policy and the Dividend Distribution Policy which are available on the website of the Company.

P5	Promotion of Human Rights	The Company has Code of Ethics and Business Conduct, Employees Code of Conduct, Policy on Prevention of Sexual Harassment.
P6	Environment Protection	The Company complies with applicable environmental regulations in respect of its premises and operations. Further, the Company participates in initiatives towards addressing environmental issues.
P7	Responsible public policy Advocacy	While there is no specific policy outlined for this principle, the Company, through trade bodies and associations, puts forth a number of suggestions with respect to the economy in general and the financial sector in particular
P8	Inclusive growth	The Company has adopted the Policy on Corporate Social Responsibility. The detailed report on Corporate Social Responsibility can be referred to Annexure - 4 to the Board's Report of Annual Report 2018-19.
P9	Customer Value	Not Applicable – DBL is a tender based Company.

**b) If answer to question at Serial No. 1 against any principle, is 'No', please explain why. (Tick up to 2 options)**

S. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

Policy 9 Customer Value is not applicable-DBL is a tender based company

### 3. Governance related to BR

**a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

The BR performance of the Company is annually assessed by the Management.

**b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

This is the third Business Responsibility Report of the Company and the Company proposes to publish BR along with Annual Report annually. The reports can be accessed at [www.dilipbuildcon.com](http://www.dilipbuildcon.com)

## Section E: Principle-wise performance

### Principle 1. Ethics, Transparency and Accountability

**6. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

Yes, the Policy covers the company and extends to its subsidiaries. Dilip Buildcon Limited considers Corporate Governance as an integral part of good management. As a result, the Company has adopted a Code of Business Conduct & Ethics ('the Code'). This Code is applicable to the Board of Directors and all employees of the Company. The members of the Board of Directors and the members of the Senior Management of the Company are required to affirm annual compliance of this code.

This Code requires the Directors and employees of the Company to act honestly, fairly, ethically and with integrity. This Code helps the Directors and employees to conduct themselves in professional, courteous and respectful manner and also to ensure that their independent judgement is not sub-ordinated.

The Corporate Governance framework is further supported by a Vigil Mechanism Policy which serves as a mechanism for its

Directors and employees to report any genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct without fear of reprisal, and hence to help ensure the Company continues to uphold its high standards.

Further the Company has also formulated the policy of Anti bribery and Anti-Corruption Policy. The purpose of this policy is to act with integrity in all business dealings of the Company and all the decisions based on legitimate considerations.

**7. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

The Company takes action on the complaints and provides a suitable reply to the stakeholders on immediate basis. The details of shareholder complaints received and resolved during the financial year are given in the Corporate Governance Report.

Particulars	Pending as on March 31, 2018	Received During Financial Year 2018-19	Redressed During Financial Year 2018-19	Pending as on March 31, 2019
Shareholder Complaints	NIL	11	11	Nil

**Principle 2. Sustainability in life cycle of product**

**9. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

Environmental & Social risks are taken into consideration for all activities by the Corporate Sustainability Department of the company.

**10. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):**

**i) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

Not applicable

**ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

Not applicable

**11. Does the company have procedures in place for sustainable sourcing (including transportation)?**

In activities related to infrastructure projects development and implementation, all our contractors are encouraged to source construction material sustainably.

**i) If yes, what percentage of your inputs was sourced sustainably?**

100% of paper used for printing sourced was FSC certified.

Material details for sustainable sourcing is as follows.

Sr. No.	Product Details	Qty (Used)	~Amount (In Mn) INR
1	Fly Ash	1,91,783 mt	207.47
2	Geo Green	10,08,377 Sq mt	68.50
3	Crush Dust	6,95,736 mt	3200.79
4	Wash Sand	42,12,100 mt	2072.36

**12. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

The nature of the business is such that the major materials that company procure are Cement, Bitumen, Diesel, Steel etc, all of these things are made only by the national large manufacturers. However, company try to stimulate the local economy by providing employment and doing smaller procurement from the local areas.

**13. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of**

**products and waste (separately as <5%, 5-10%, >10%).**

Yes, Company is trying to recycle the products and waste which is ~8% of the total projects.

### Principle 3. Employee well-being

**1. Please indicate the Total number of employees.**

The total number of employees of the company is 35153 and subsidiaries is 104 as on March 31, 2019.

**2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.**

38 employees as on 31.03.2019

**3. Please indicate the Number of permanent women employees.**

37 Women Employees

**4. Please indicate the Number of permanent employees with disabilities.**

1 Employee

**5. Do you have an employee association that is recognized by management?**

No

**6. What percentage of your permanent employees is members of this recognized employee association?**

Not applicable

**7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

S. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

**8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

S. No.	Category of Employees	Safety Drill	Skill Upgradation Hours
1	Permanent Employees	1533 Hrs. (Nos.of Training-1022,candidate-13933	
	936 Hours and		
	1738 candidates		
2	Permanent Women Employees	NIL	Nil
3	Casual/Temporary/Contractual Employees	657 Hrs. (Nos. of Training -1,314, Candidate -17,029	Nil
4	Employees with Disabilities	Nil	Nil

**Other training programs conducted for employees :**

1. Approx. 19 Nos. Health check-up and HIV awareness programs.
2. 21 Nos. Safety & Road Traffic awareness related programs arranged at all over DBL sites.
3. Environment Awareness Activities at all over DBL sites.
4. Organised Swachta Pakhwada.

#### Principle 4. Stakeholders Engagement

**1. Has the company mapped its internal and external stakeholders?**

Yes, Employees are the internal stakeholder group while shareholders, investors, regulators, clients, vendors and the community in the vicinity of our projects are the external stakeholder groups of the Company

**2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

Yes, a system of periodic reviews is being established to ensure that the necessary actions are taken as required.

**3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders.**

The Company has taken up a number of initiatives to meet the expectation of different stakeholders. A variety of projects have been initiated under the broad themes of education, healthcare, scholarship programs, community empowerment, vocational training, road safety etc., to engage beneficiaries and stakeholders.

**Internal Stakeholders** – Employees

**External Stakeholders** – Shareholders & Investors, Suppliers & Contractors, Media, Community, Customers and Government.

#### Principle 5. Promotion of Human Rights

**1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

Yes, the Policy covers the company and extends to its subsidiaries. The Company remains committed to respect and protect human rights and provide friendly environment protecting health and safety of employees. The Company's Code of Business Conduct & Ethics and the human resource practices cover most of these aspects. The Company does not hire child labour, forced labour or involuntary labour. The Company never discriminates between its employees.

**2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

No stakeholder complaints, relating to human rights, have been received in the past financial year

#### Principle 6. Environment Protection

**1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

Yes, the Policy covers the Company and extends to its subsidiaries. The Company strives to preserve the environment by striking a balance between economic growth and preservation of the environment with due concern for ecology. The Company is committed to operate all its units in an environment friendly manner while protecting health and safety of its employees. The Subsidiaries are encouraged to adopt the practices of Company.

**2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

Yes, company is trying to address various environmental issues. Company is certified for their office building space in Madhya Pradesh built with the highest green standards.<http://www.dilipbuildcon.com/wps/portal/dbl/strengths/environment-health-safety>

**3. Does the company identify and assess potential environmental risks? Y/N**

Yes

**4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

Not applicable

**5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc? Y/N. If yes, please give hyperlink for web page etc.**

Yes, the Company has a multi-pronged approach to managing its environmental impacts. Focus is placed on energy efficiency, to reduce environmental impacts. Company is certified for their office building space in Madhya Pradesh built with the highest green standards. They have various program into consideration like afforestation, energy saving etc. <http://www.dilipbuildcon.com/wps/portal/dbl/strengths/environment-health-safety>

**6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

No, DBL is an Infra Company

**7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

No

**Principle 7. Responsible Public Policy Advocacy**

**1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

The Company is a member of various trade bodies and associations such as Builders Association, National Highways Builders Federation (NHBFF).

**2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

Yes, the top management of the Company provides suggestions for improvement in governance and administration processes, ease of doing businesses.

**Principle 8. Inclusive Growth**

**1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

The Company has a well-defined CSR policy which is in line with the Companies Act, 2013. The Company have taken various CSR initiatives for support and development of society. The report on the CSR projects carried by the Company is annexed with the Board's Report.

**2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?**

Yes, the projects are undertaken through co-ordination and collaboration between in-house team and external NGOs or Trust or agencies and entities as it deems suitable.

**3. Have you done any impact assessment of your initiative?**

On periodic basis, we measure the direction or initiatives and their impact. The assessment helps in focusing our efforts and achieving better results.

**4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

The Company has spent ₹ 107.94 lacs in the financial year 2019. The amount was spent on areas as mentioned in Annexure - 4 to the Board's Report.

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?**

Yes. Initiatives undertaken under CSR are tracked to determine the outcomes achieved and the benefits to the community. Internal tracking mechanisms are regularly carried out. The Company has dedicated team of employees to drive and monitor the CSR activities and have also registered a society named as 'DBL Social Welfare Foundation' to carry out social welfare Company will undertake its CSR activities as notified in schedule VII of the Companies Act, 2013 through this society.

Any project that comes up for CSR is first internally reviewed and assessed by the Management. If the Management is

convinced of the project, it is put up to the CSR Committee for its consideration and approval.

#### **Principle 9. Customer Value**

**1. What percentage of customer complaints/consumer cases are pending as at the end of financial year.**

Not applicable, we are tender based company.

**2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/N.A. /Remarks (additional information)**

Not applicable, we are tender based company.

**3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.**

Not applicable, we are tender based company.

**4. Did your company carry out any consumer survey / consumer satisfaction trends?**

Not applicable, we are tender based company.

## NOTICE

**NOTICE** is hereby given that the 13<sup>th</sup> Annual General Meeting of the Members of Dilip Buildcon Limited will be held at Kwaliti's Motel Shiraz, Service Road, Board Office Square, Shivaji Nagar, Bhopal - 462011 Madhya Pradesh on Tuesday, September 17, 2019 at 11.00 a.m. to transact the following Businesses: -

### ORDINARY BUSINESS:

1. To receive, consider and adopt:
  - a. the Audited IndAS Financial Statements including the Balance Sheet and Statement for change in the equity, profit and loss and cash flow of the Company for the financial year ended March 31, 2019 together with the Report of the Board and Auditors thereon; and
  - b. the Audited IndAS Consolidated Financial Statements including the Balance Sheet and Statement for change in the equity, profit and loss and cash flow of the Company for the financial year ended March 31, 2019 together with the Report of the Auditors thereon;
2. To declare dividend on equity shares for the financial year ended March 31, 2019;
3. To appoint a Director in place of **Mrs. Seema Suryavanshi (DIN: 00039946)**, who retires by rotation and being eligible, offer herself for re-appointment;
4. **TO APPROVE THE RE-APPOINTMENT OF M/S MUKUND M. CHITALE & CO., CHARTERED ACCOUNTANTS, MUMBAI AS JOINT STATUTORY AUDITOR OF THE COMPANY FOR A SECOND CONSECUTIVE TERM OF THREE YEARS AND AUTHORITY TO FIX REMUNERATION**

To consider and if thought fit, to pass with or without modification(s), the following as an **ORDINARY RESOLUTION**

**"RESOLVED THAT** upon the recommendation of the Audit Committee and approval of the Board and pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), **M/s Mukund M. Chitale & Co., Chartered Accountants**, Mumbai (ICAI Firm Registration No.106655W) who was appointed as Joint Statutory Auditor of the Company for a term of five years and hold such office from the Conclusion of the 8<sup>th</sup> Annual General Meeting till the Conclusion of the 13<sup>th</sup> Annual General

Meeting of the Company to be held in the calendar year 2019, are being eligible, be and are hereby re-appointed as Statutory Auditor of the Company and to hold the office for a second consecutive term of three years (3) from the conclusion of this Annual General Meeting till the conclusion of 16<sup>th</sup> Annual General Meeting of the Company to be held in the calendar year 2022, at a remuneration of Rs. 43,00,000/- (Rupees Forty three Lacs Only) (which includes Audit Fee, Consolidation of Account, Limited review Report) plus applicable taxes and reimbursement of out of pocket expenses at actuals."

### SPECIAL BUSINESS:

5. **TO CONSIDER AND APPROVE THE APPOINTMENT OF MS. RATNA DHARASHREE VISHWANATHAN (DIN: 07278291), AS WOMEN DIRECTOR IN THE CATEGORY OF INDEPENDENT DIRECTOR**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable provisions of SEBI (LODR) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), **Ms. Ratna Dharashree Vishwanathan (DIN: 07278291)** who was appointed as an Additional Woman Director (in the category of Independent Director) of the Company by the Board of Directors with effect from March 30, 2019, in terms of section 161(1) of the Companies Act, 2013 and Article 20.3 of the Articles of Association of the Company and whose term of office, as an additional woman director of the Company, expires at this Annual General Meeting of the Company, being eligible for appointment and has furnished a declaration under Section 149(7) of the Act and SEBI (LODR), be and is hereby appointed as a Woman Independent Director of the Company for the period of 5 (five) years with effect from March 30, 2019 to March 29, 2024 and during the period, she shall not be liable to retire by rotation."

6. **TO CONSIDER AND APPROVE THE REMUNERATION OF THE COST AUDITOR FOR THE FINANCIAL YEAR 2019-20**

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

**“RESOLVED THAT** pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby approves the remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses at actuals, as approved by the Board of Directors on the recommendation of Audit Committee, to be paid to M/s. Yogesh Chourasia & Associates, Cost Accountants, Bhopal (ICWAI Firm Registration No.000271) appointed by the Board of Directors as the Cost Auditor to conduct the audit of the cost records of the Company for the Financial Year ended March 31, 2020 .”

**7. TO CONSIDER AND APPROVE THE RE-APPOINTMENT OF MR. SATISH CHANDRA PANDEY (DIN : 07072768) FOR A SECOND CONSECUTIVE TERM OF 5 (FIVE) YEARS W.E.F JANUARY 23, 2020 TO JANUARY 22, 2025**

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

**“RESOLVED THAT** pursuant to the provisions of sections 149 and 152 read with Schedule IV of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable provisions of the SEBI (LODR) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and any other applicable provisions, if any, **Mr. Satish Chandra Pandey (DIN: 07072768)**, who was appointed as an Independent Director and who hold office as an Independent Director up to January 22, 2020 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second consecutive term of 5 (five) years, w.e.f. January 23, 2020 to January 22, 2025.

**RESOLVED FURTHER THAT** pursuant to the Regulation 17(1A) of the SEBI (LODR) (Amendment) Regulations, 2018 effective from April 1, 2019 and any other applicable provisions, if any, approval of the Members of the Company be and is hereby granted to Mr. Satish Chandra Pandey (DIN: 07072768) who has attained the age of 79 years on May 11, 2019 and to hold the office of director in the category of an Independent Director of the Company.”

**8. TO CONSIDER AND APPROVE THE ISSUANCE OF NON-CONVERTIBLE DEBENTURES ON PRIVATE PLACEMENT BASIS**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to the regulations issued by the Securities and Exchange Board of India (“SEBI”) including the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time, (if applicable) and the regulations, norms, circulars, guidelines, clarifications, notifications prescribed or issued by the Reserve Bank of India, from time to time (if applicable) and other applicable provisions, if any, and subject to the provisions of the Memorandum of Association and the Articles of Association of the Company, approval of the members be and is hereby accorded to the board of directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any committee thereof) to offer or invite subscriptions for secured/unsecured redeemable, non-convertible debentures, in one or more series/tranches, of an aggregate nominal value up to Rs. 1000.00 Crores Only (Rupees One Thousand Crores only), on private placement basis, to such persons and on such terms and conditions as the Board may, from time to time, determine and consider proper and most beneficial to the Company including, without limitation, as to when the said debentures are to be issued, the face value of debentures to be issued, the consideration for the issue, mode of payment, coupon rate, redemption period, utilization of the issue proceeds and all matters connected therewith or incidental thereto.

**RESOLVED FURTHER THAT** the said limit of Rs. 1000.00 Crores Only (Rupees One Thousand Crores only) shall be within the overall borrowing limit approved by the members under Section 180(1)(c) of the Companies Act, 2013.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolutions and matters concerning thereto, connected therewith and incidental thereto, the Board is hereby authorized on behalf of the Company to take all actions and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable or expedient and to resolve and settle all questions and

difficulties that may arise in the proposed issue/offer and allotment of any of the aforesaid debentures/securities, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**9. TO CONSIDER AND APPROVE THE ISSUANCE OF COMMERCIAL PAPER ON PRIVATE PLACEMENT BASIS**

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

**“RESOLVED THAT** pursuant to the provisions of Section 42 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to the regulations issued by the Securities and Exchange Board of India (“SEBI”) including the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as amended from time to time and the regulations, norms, circulars, guidelines, clarifications, notifications prescribed or issued by the Reserve Bank of India, from time to time and other applicable provisions, if any, and subject to the provisions of the Articles of Association of the Company, the consent of the members of the Company be and are hereby accorded to the board of directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any committee thereof) to borrow from time to time, by issuance of Commercial Papers (“CPs”), on private placement basis with a view to augment the business of the Company, for an amount not exceeding Rs. 1000.00 Crores Only (Rupees One Thousand Crores only), with or without earmarking of the Working Capital Limit, on such terms and conditions as the Board may deem fit and appropriate for each series as the case may be.

**RESOLVED FURTHER THAT** the said limit of Rs. 1000.00 Crores Only (Rupees One Thousand Crores only) shall be within the overall borrowing limit approved by the members under Section 180(1)(c) of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

**10. TO CONSIDER AND APPROVE THE LIMIT OF RS. 917 CRORES UNDER SECTION 185 OF COMPANIES ACT, 2013 FOR PROVIDING LOANS/GUARANTTEE/SECURITIES TO THE SUBSIDIARIES COMPANIES/ASSOCIATES COMPANIES/PRIVATE COMPANIES/JVs**

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

**“RESOLVED THAT** pursuant to the provisions of Section 185, 186 and other applicable provisions of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014 and subject to all other applicable provisions of the Companies Act, 2013, if any, (including any statutory modification or re-enactment thereof for the time being in force) and the provisions of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, consent of the members of the Company be and is hereby accorded to the Board of directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any committee thereof) to give unsecured loans, advances and to provide guarantee or security to any of Subsidiary Companies and/or Associate Companies (whether public or private company, SPV, or other than SPV) and/ or Joint Venture and/ or Trust and/ or Body Corporate(s) for providing Loans (whether funded or non-funded) by any Bank, Financial Institution, NBFC, Company or other body corporate(s) for providing financial support as per the requirement of the lenders/Government authorities and business necessity not exceeding to Rs. 917.00 Crores Only (Rupees Nine Hundred Seventeen Crores only ) in one or more tranches and the said loan/ guarantee/security given by the Company shall be utilized for the principal business activities of the recipient company(ies).

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters, and things, in its absolute discretion, may be considered necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution or otherwise considered by the Board of Directors in the interest of the Company.”

**11. TO CONSIDER AND APPROVE INCREASE IN AUTHORISED SHARE CAPITAL OF THE COMPANY AND ALTERATION IN THE MEMORANDUM OF ASSOCIATION**

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

**“RESOLVED THAT** pursuant to provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Share Capital and Debenture) Rules, 2014, and subject to all other applicable provisions of the Companies Act, 2013, if any, (including any statutory modification or re-enactment thereof for the time being in force) and provisions of the Memorandum of Association and Articles of Association of the Company, the Authorized Share Capital of the Company be and is hereby increased from Rs. 1,60,00,00,000/- (Rupees One Hundred Sixty Crores only) divided into 16,00,00,000 (Sixteen Crores) equity shares of Rs.10/- (Rupees Ten only) each (the “Equity Shares”) to Rs. 1,80,00,00,000/- (Rupees One Hundred Eighty Crores only) divided into 18,00,00,000/- (Eighteen Crores) equity shares of Rs. 10/- (Rupees Ten only) each.

**RESOLVED FURTHER THAT** pursuant to the provisions of section 13 read with section 61 of the Companies Act, 2013 and schedule I of Table F and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, as may be applicable, the Clause V of the Memorandum of Association of the Company is hereby altered by substitution of the following new Clause:

- V.** The Authorized Share Capital of the Company is Rs. 1,80,00,00,000/- (Rupees One Hundred Eighty Crores only) divided into 18,00,00,000/- (Eighteen Crores) equity shares of Rs. 10/- (Rupees Ten Only) each.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

## 12. TO CONSIDER AND APPROVE THE AUTHORITY TO ISSUE FURTHER SHARES

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

**“RESOLVED THAT** pursuant to the provisions of Sections 23, 42 and 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any amendment thereto or re-enactment thereof, for the time being in force, the “Act”), the Companies Act, 1956, as amended (without reference to the provisions thereof that have ceased to have effect upon notification of sections of the Act), the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules notified by the Central Government under the Act, the Foreign Exchange Management Act, 2000 (the “FEMA”), as amended, including the Foreign Exchange

Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended, the Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended, the Depository Receipts Scheme, 2014, as amended, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended (“Debt Listing Regulations”), the current Consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by Government of India (the “GoI”), the Reserve Bank of India (the “RBI”), and the Securities and Exchange Board of India (the “SEBI”) the Stock Exchanges, Ministry of Corporate Affairs (“MCA”), the Registrar of Companies and/or any other competent authorities, whether in India or abroad and including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the enabling provisions of the Memorandum of Association and Articles of Association of the Company, the uniform listing agreements entered into by the Company with the stock exchanges on which the Company’s shares are listed (the “Listing Agreements”) and subject to necessary approvals, permissions, consents and sanctions as may be necessary from SEBI, Stock Exchanges, MCA, RBI, GoI or of concerned statutory and any other authorities as may be required in this regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”), and approval of the members of the Company be and is hereby accorded to create, offer, issue and allot (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company as may be permitted), with or without a green shoe option, such number of equity shares of the Company of face value Rs. 10 each with or without voting/ special rights (“Equity Shares”), Global Depository Receipts (“GDRs”), American Depository Receipts (“ADRs”), Foreign Currency Convertible Bonds (“FCCBs”), fully convertible debentures/ partly convertible debentures, preference shares convertible into Equity Shares, and/or any other financial instruments convertible into Equity Shares (including

warrants, or otherwise, in registered or bearer form) and/or any security convertible into Equity Shares with or without voting/special rights and/or securities linked to Equity Shares and/or securities with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to Equity Shares (all of which are hereinafter collectively referred to as “Securities”) or any combination of Securities, in one or more tranches, whether Rupee denominated or denominated in foreign currency, in the course of international and/or domestic offering(s) in one or more foreign markets and/or domestic market, by way of one or more public and/or private offerings, qualified institutions placement (“QIP”) and/or on preferential allotment basis or any combination thereof, through issue of prospectus and/or placement document and/or other permissible/requisite offer document to Qualified Institutional Buyers (“QIBs”) as defined under the SEBI ICDR Regulations in accordance with Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations”), whether they be holders of Equity Shares of the Company or not (the “Investors”) as may be decided by the Board in its discretion and permitted under applicable laws and regulations, of an aggregate amount not exceeding Rs. 2000.00 Crores only (Rupees Two Thousand Crores Only) or equivalent thereof, inclusive of such premium as may be fixed on such Securities by offering the Securities at such time or times, at such price or prices, at a discount or premium to market price or prices permitted under applicable laws in such manner and on such terms and conditions including security, rate of interest etc. and any other matters incidental thereto as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/or underwriter(s) and/or other advisor(s), in foreign currency and/or equivalent Indian Rupees as may be determined by the Board, in any convertible foreign currency, as the Board at its absolute discretion may deem fit and appropriate (the “Issue”).

**RESOLVED FURTHER THAT** in accordance with Chapter VI of the SEBI ICDR Regulations;

- a) the Equity Shares shall not be eligible to be sold for a period of one year from the date of allotment except on a recognized stock exchange or except as may

be permitted from time to time under the SEBI ICDR Regulations and other applicable laws;

- b) the total amount raised in such manner through the QIP, together with other QIP(s) made in the same financial year, if any, should not exceed five times the net worth of the Company as per the audited balance sheet of the previous financial year; and
- c) the Board may, in accordance with applicable law, also offer a discount of not more than 5% or such other discount as permitted under applicable law on the price calculated in accordance with the pricing formula provided under the SEBI ICDR Regulations.

**RESOLVED FURTHER THAT** in pursuance of the aforesaid resolutions: (a) the Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and (b) the Equity Shares, including any Equity Shares issued upon conversion of any convertible Securities, that may be issued by the Company shall rank *pari-passu* with the existing Equity Shares of the Company in all respects.

**RESOLVED FURTHER THAT** if any issue of Securities is made by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations, the allotment of such Securities, or any combination of Securities as may be decided by the Board shall be completed within twelve months from the date of this resolution passed in the General Meeting or such other time as may be allowed under the SEBI ICDR Regulations from time to time.

**RESOLVED FURTHER THAT** any issue of Securities made by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations shall be at such price which is not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations (the “QIP Floor Price”), with the authority to the Board to offer a discount of not more than such percentage as permitted under applicable law on the QIP Floor Price.

**RESOLVED FURTHER THAT** in the event Equity Shares are proposed to be issued to QIBs by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the proposed issue of such Equity Shares.

**RESOLVED FURTHER THAT** in the event convertible Securities are proposed to be issued to QIBs by way of a QIP in terms of Chapter VI of the SEBI ICDR Regulations, the

relevant date for the purpose of pricing such convertible Securities shall be the date of the meeting in which the Board decides to open the proposed issue of such convertible Securities.

**RESOLVED FURTHER THAT** the issue to the holders of the Securities, which are convertible into or exchangeable with Equity Shares at a later date shall be, inter alia, subject to the following terms and conditions:

- (a) in the event of the Company making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the Equity Shares, the number of Equity Shares to be allotted shall stand augmented in the same proportion in which the equity share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced *pro tanto*;
- (b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders;
- (c) in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, the number of equity shares and the price as aforesaid shall be suitably adjusted; and
- (d) in the event of consolidation and/or division of outstanding Equity Shares into smaller number of equity shares (including by way of stock split) or re-classification of the Securities into other securities and/or involvement in such other event or circumstances which in the opinion of concerned stock exchange requires such adjustments, necessary adjustments will be made.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue or allotment of Equity Shares and/or Securities or instruments representing the same, as described above, and subject to approval of the members, the Board be and is hereby authorised on behalf of the Company to seek listing of any or all of such Securities on one or more Stock Exchanges in India or outside India and the listing of Equity Shares underlying the ADRs and/or GDRs on the Stock Exchanges in India.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, subject to applicable laws and subject to approval, consents, permissions, if any of any governmental body, authority or regulatory institution including any conditions as may be prescribed in granting such approval or permissions by such governmental authority or regulatory institution, the aforesaid Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets including but not limited to the terms and conditions for issue of additional Securities and the Board subject to approval of the members, applicable laws, regulations and guidelines be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose of such Securities that are not subscribed.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to appoint lead manager(s), underwriters, depositories, custodians, registrars, bankers, lawyers, advisors and all such agencies as are or may be required to be appointed, involved or concerned in the Issue and to remunerate them by way of commission, brokerage, fees or the like and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc., with such agencies.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the Issue and to resolve and settle all questions, difficulties or doubts that may arise in regard to such Issue, including the finalization and approval of the draft as well as final offer document(s), determining the form and manner of the Issue, finalization of the timing of the Issue, identification of the investors to whom the Securities are to be offered, determining the issue price, face value, premium amount on issue/conversion of the Securities, if any, rate of interest, execution of various transaction documents, signing of declarations, creation of mortgage/ charge, utilization of the issue proceeds, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the offering, all such Equity Shares ranking *pari-passu* with the existing Equity Shares of the Company in all respects.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to constitute or form a committee or delegate all or any of its powers to any Director(s) or Committee of Directors / Company Secretary /Chief Financial Officer or other persons authorized by the Board for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution and accept any alterations or modification(s) as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of the Securities.

**13. TO CONSIDER AND APPROVE THE COMMISSION PAYABLE TO NON EXECUTIVE DIRECTORS OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to the provisions of Section 197 and any other applicable provisions of the Companies Act, 2013 (Act) (including any statutory modification(s) or

re-enactment thereof for the time being in force) and the Articles of Association of the Company, consent of the Company be and is hereby accorded to make payment of commission not exceeding 0.25% per annum of the net profit of the Company to be calculated in accordance with the provisions of Section 198 of the Act, to the Non-Executive Directors of the Company (i.e. Directors other than the Managing Director and/or Whole Time Directors).

**RESOLVED FURTHER THAT** the above remuneration shall be in addition to the fee payable to the director(s) for attending the meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

**By order of the Board  
Dilip Buildcon Limited**

**Abhishek Shrivastava  
Company Secretary**

**Place: Bhopal  
Date: August 05, 2019**

## Notes:

- a. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THAT THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. 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, MAY APPOINT SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.** The holder of proxy shall prove his identity at the time of attending the meeting. Proxies, in order to be effective must be received at the Company's Registered Office at Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal (M.P)- 462016, not less than 48 hours before the commencement of the AGM i.e, by 11.00 A.M. on Sunday, September 15, 2019.
  - b. The information required to be provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings, regarding the Directors whose appointment/re-appointment/variation in the terms of appointment are proposed and the relevant information in respect of the business under item No.3, 5 and 7 as set out below are annexed hereto.
  - c. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution to the Company authorizing their representative to attend and vote (on their behalf) at the Meeting.
  - d. Members/proxies are requested to bring their attendance slip duly completed along with their copy of the Annual Report to the Meeting.
  - e. In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names, will be entitled to vote at the meeting.
  - f. The Register of Members and the Share Transfer Books of the Company shall remain closed from **Wednesday, September 11, 2019 to Tuesday, September 17, 2019** (both day inclusive) for the purpose of 13<sup>th</sup> AGM and distribution of Dividend for the Financial Year 2018-19.
  - g. The Board of Directors have recommended a final dividend of Rs. 1/- per equity share of Rs. 10/- each for the financial year 2018-19. The dividend on equity shares for the financial year 2018-19, if declared, will be paid within a period of 30 days from the date of the declaration at the Annual General Meeting.
  - h. If the final dividend is approved at the AGM, payment of such dividend will be paid to those members whose names appears in the company's Register of Members and to those persons whose names appears as beneficial owner as per the details to be furnished by National Security Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) as at the close of business hours on Tuesday, September 10, 2019, after giving effect to all valid transmission in physical form lodged on or before Tuesday, September 10, 2019 with the Company and/or its Registrar and Share Transfer Agent.
  - i. Members are requested to furnish bank details, Email address, change of address etc. to Link Intime India Pvt. Ltd, at C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai -400083, who is the Company's Registrar and Share Transfer Agent on or before Tuesday, September 10, 2019, in order to take note of the same. In respect of members holding shares in electronic mode, the details to be furnished by the Depositories as at the close of the aforesaid date will be considered by the Company. Hence, Members holding shares in demat mode should update their records at the earliest.
  - j. In order to receive copies of Annual Reports and other communication through e-mail, Members are requested to register their e-mail addresses with the Company by sending an e-mail to investor@dilipbuildcon.co.in.
  - k. Pursuant to Section 124 of the Companies Act, 2013, the Company has unpaid or unclaimed dividends declared for the financial year 2016-17 and 2017-18 and has uploaded the details of unpaid and unclaimed dividends on the website of the Company and the same can be accessed through the link <http://www.dilipbuildcon.com/wps/portal/dbl/investors/shareholders-centre>.
- Further pursuant to section 124(5) the amount in the unpaid dividend account if remains unclaimed or unpaid for a period of seven years, then such amount along with interest accrued be liable to be transferred to the Investors Education and Protection Fund, however there is no unpaid/unclaimed dividend which is liable to be transferred to the IEPF.

- l. Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and Register of Contracts or Arrangements in which directors are interested, maintained under section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.
- m. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company on all working days between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
- n. Investor Grievance Redressal: The Company has designated an exclusive e-mail ID viz. investor@dilipbuildcon.co.in to enable the Investors to register their complaints, if any.
- o. 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 the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar and Transfer Agent/Company.  
  
Pursuant to the amendment in Regulation 40 of SEBI (LODR) Regulations, 2015, vide Gazette notification dated June 8, 2018, effective from April 1, 2019, barred physical transfer of shares of listed companies and mandated transfer only through demat. However, the investors are not barred from holding shares in physical form.
- p. The relevant Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the business under item nos. 4 to 13 of the accompanying notice is annexed hereto.
- q. A route map showing directions to reach the venue of the 13<sup>th</sup> AGM is given at the end of this Notice as per the requirement of the Secretarial Standards -2 on "General Meetings".
- r. Attendance slip, proxy form, Polling paper and the route map of the venue of the Meeting are annexed hereto.
- s. **The procedure and instructions for voting through electronic means are as follows :**

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below :
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open

the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## Step II: Cast your vote electronically on NSDL e-Voting system

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

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote. **The "EVEN" for Dilip Buildcon Limited is "111396".**
4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [piyush@dpaandassociates.com](mailto:piyush@dpaandassociates.com), with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### SECTION B - OTHER INSTRUCTIONS RELATED TO REMOTE E-VOTING:

- i) In Compliance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and pursuant to the provisions of Section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide e-voting facility to all its members, to enable them to cast their votes electronically. The Company has engaged the services of National Securities Depository Limited (NSDL) for the purpose of providing e-voting facility to all its members.

- ii) Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the time of Annual General Meeting, either through electronic voting system or polling paper, as may be decided by Chairman of the meeting. The members who had 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.
- iii) The e-voting period commences on **Saturday, September 14, 2019 (9.00 a.m. IST)** and ends on **Monday, September 16, 2019 (05.00 p.m. IST)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e Tuesday, September 10, 2019 may cast their vote electronically. The e- voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast their vote again.
- iv) The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on the cut-off date. As per the Secretarial Standard SS-2 on General Meetings 'cut-off date' means a date not earlier than 7 days before the date of general meeting.
- v) Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and is holding shares as on the cut-off date, may follow the procedures and instruction mentioned above for remote e-voting. However, if the members are already registered with NSDL for remote e-voting then they can use their existing user ID and password for casting their vote. In case members have any queries or issues regarding e-Voting, they may refer to the Frequently Asked Questions ("FAQs") and e-Voting manual available at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
- vi) CS Piyush Bindal, Practicing Company Secretary, Proprietor of M/s Piyush Bindal & Associates, Company Secretaries (Membership No. FCS 6749; CP No. 7442) having office address at S-12, 2nd Floor, Gurukripa Plaza, Zone -II, M.P. Nagar, Bhopal - 462011 has been appointed as the Scrutiniser to scrutinise the voting and remote e-voting process in a fair and transparent manner.
- vii) The Scrutiniser shall, immediately after the conclusion of voting at the General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make a Consolidated Scrutiniser's Report of the total votes cast in favour or against, if any to the Chairman or a person authorised by him in writing who shall countersign the same. The results declared along with the Scrutiniser's Report shall be placed on the Company's website and on website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) within forty eight hours of the conclusion of the Annual General Meeting of the Company and will also be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
- viii) 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 communication(s) regarding NSDL e-Voting system in future. The same may be used in case the Member forgets the password and the same needs to be reset.
- ix) Electronic copy of the Annual Report 2018-19 is being sent to all the members whose email address are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Annual Report 2018-19 is being sent in the permitted mode. Members may also note that the notice of the 13<sup>th</sup> Annual General Meeting and Annual Report for 2018-19 will also be available on the Company's website at [www.dilipbuildcon.com](http://www.dilipbuildcon.com). The physical copies of the aforesaid documents will also be available on the Registered Office of the Company on all working days between 11.00 a.m. to 1.00 p.m.
- x) Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):  
  
The provisions of Section 125(2) of the Act do not apply as there was no dividend available for transfer to the Investor Education and Protection Fund (IEPF).

## Annexure to the notice of Annual General Meeting

(Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013)

As required by Section 102 of the Act, the following explanatory statement sets out all material facts relating to the businesses mentioned under Item Nos. 4 to 13 of the accompanying Notice.

### Item No. 4

Provision of the Companies Act, 2013:

No listed company or a company belonging to such class or classes as prescribed, shall appoint or re-appoint-

- a) an individual as auditor for more than one term of five consecutive years; and
- b) an audit firm as auditor for more than two terms of five consecutive years:

Provided that—

- (i) an individual auditor who has completed his term under clause (a) shall not be eligible for reappointment as auditor in the same company for five years from the completion of his term;
- (ii) an audit firm which has completed its term under clause (b), shall not be eligible for re-appointment as auditor in the same company for five years from the completion of such term.

As per the provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the audit firm who has been functioning as Statutory Auditors in the Company under the Companies Act, 1956, then such audit firm may continue in the same company for the period of 10 years including the period served by the auditor under the Companies Act, 1956.

The Company falls under the class of companies as prescribed in the aforesaid rules. Accordingly, M/s. Mukund M. Chitale & Co, Chartered Accountants, Mumbai (ICAI Firm Registration No. 106655W) were appointed as Joint Statutory Auditors of the Company for a term of five years at the Annual General Meeting (AGM) of the Company held on 25<sup>th</sup> September, 2014. The 1<sup>st</sup> term of M/s. Mukund M. Chitale & Co, Chartered Accountants, Mumbai (ICAI Firm Registration No. 106655W) will culminate in this ensuing Annual General Meeting of the Company.

Further pursuant to regulation 36 (5) of SEBI (LODR) Regulations, 2015, the details and credentials of the statutory auditor are as under :

M/s. Mukund M Chitale & Co., is a firm of Chartered Accountants with a professional standing of more than 45 years. It was established in the year 1973 by Mr. Mukund M Chitale. The firm is engaged in providing services namely : Auditing services, Tax consultancy services, and Management Consultancy Services.

The Firm serves large institutional Clients like Listed companies, Public Sector undertakings, Banks, Insurance companies, Mutual funds, Private equity funds etc.

The Firm has been awarded the Peer Review Certificate issued by The Institute of Chartered Accountants of India pursuant to the Statement on Peer Review.

The Firm services Clients across India through its offices at Mumbai and Pune.

As per the provisions of the Companies Act, 2013, and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Audit Committee and Board has recommended the re- appointment of M/s Mukund M. Chitale & Co., Chartered Accountants, Mumbai (ICAI Firm Registration No.106655W) as the Statutory Auditor of the Company, to hold the office for a second consecutive term of 3 (three) years from the conclusion of this Annual General Meeting till the conclusion of 16<sup>th</sup> Annual General Meeting of the Company to be held in the calendar year 2022, at a remuneration of Rs. 43,00,000/- (Rupees Forty Three Lacs Only) (which includes Audit Fee, Consolidation of Account, Limited Review Report) plus applicable taxes and reimbursement of out of pocket expenses at actuals.

M/s. Mukund M. Chitale & Co., Chartered Accountants, Mumbai has fulfilled and complied all the conditions as specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has submitted their eligibility certificate to the Company and also meets the criteria as specified in section 141 of the Companies Act, 2013.

Accordingly, approval of the Members is being sought for the proposal contained in the Resolution set out at Item No. 4 of the accompanying Notice.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in anyway concerned or interested financially or otherwise in the Resolution as set out at Item No. 4 as an **Ordinary Resolution**.

The Board recommends the resolution set forth in Item No. 4 for the approval of the Members.

#### Item No. 5

Ms. Ratna Dharashree Vishwanathan (DIN: 07278291) who was appointed as an Additional Woman Director (in the category of Independent Director) of the Company with effect from March 30, 2019. In terms of Section 161(1) of the Companies Act, 2013, Ms. Ratna Dharashree Vishwanathan holds office as an Additional Director upto the date of this Annual General Meeting. As per the provisions of the Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and on the recommendation of the Nomination & Remuneration Committee, Ms. Ratna Dharashree Vishwanathan is being proposed to be appointed as a Woman Independent Director of the Company for the period of 5 (five) consecutive years with effect from March 30, 2019 to March 29, 2024 and not be liable to retire by rotation. Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and after completion of first term of her appointment, she may be re-appoint for second term.

Ms. Ratna Dharashree Vishwanathan is not disqualified from being appointed as a Woman Independent Director in terms of Section 164 of the Act and has given her consent to act as a Woman Director (in the category of Independent Director). Further, the Company has also received declaration from Ms. Ratna Dharashree Vishwanathan that she meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the SEBI (LODR) Regulations, 2015.

In the opinion of the Board, Ms. Ratna Dharashree Vishwanathan fulfils the conditions as specified in the Companies Act, 2013 and rules made thereunder and SEBI (LODR) Regulations, 2015 for her appointment as a Woman Independent Director of the Company and is independent to the management. The copy of the letter of appointment of Ms. Ratna Dharashree Vishwanathan as a Woman Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company on all working days between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.

Details of Ms. Ratna Dharashree Vishwanathan are provided in the “**Annexure A**” to the Notice. She shall be paid remuneration by way of sitting fees for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board and reimbursement of expenses for participating in the Board and other meetings.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Ms. Ratna Dharashree Vishwanathan as a Woman Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Ms. Ratna Dharashree Vishwanathan as a Woman Independent Director, for approval by the members of the Company.

Except Ms. Ratna Dharashree Vishwanathan, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are in anyway concerned or interested financially or otherwise in the resolution as set out at Item No. 5 as an **Ordinary Resolution**.

The Board recommends the resolution set forth in Item No. 5 for the approval of the Members.

#### Item no. 6

In accordance with the provisions of Section 148 of the Companies Act, 2013 (‘the Act’) and the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Amendment Rules, 2014 (‘the Rules’) the Company is required to appoint a Cost Auditor to audit the cost records of the Company.

On the recommendation of the Audit Committee, the Board of Directors at their Meeting held on August 05, 2019 has approved the appointment of M/s Yogesh Chourasia & Associates, Cost Accountants, Bhopal (ICWAI Firm Registration No. 000271), as Cost Auditor to conduct the audit of the cost records of the Company for the Financial Year ended March 31, 2020 at a remuneration of Rs. 50,000/- (Rupees Fifty Thousand only) plus applicable taxes and reimbursement of out of pocket expenses at actuals, subject to approval by the members in the Annual General Meeting.

M/s Yogesh Chourasia & Associates, Cost Accountants, Bhopal has furnished certificate regarding their eligibility for appointment as Cost Auditor of the Company. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be approved by the members of the Company.

Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 6 of the Notice for approval of remuneration payable to the Cost Auditor for the Financial Year ended March 31, 2020.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested financially or otherwise in the resolution as set out at Item No. 6 as an **Ordinary Resolution**.

The Board recommends the resolution set forth in Item No. 6 for the approval of the Members.

#### **Item No. 7**

Mr. Satish Chandra Pandey (DIN: 07072768) was appointed as an Independent Director of the Company and who holds office as an Independent Director of the Company upto January 22, 2020 ("first term").

The Nomination and Remuneration Committee on the basis of performance evaluation report has recommended re-appointment of Mr. Satish Chandra Pandey as a Director (in the Category of Independent Director) for a second consecutive term of 5 (five) years on the Board of the Company.

Based on the performance evaluation and recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company considered his experience and contribution made by him during his tenure, the continued association of Mr. Satish Chandra Pandey would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, it is proposed to re-appoint Mr. Satish Chandra Pandey for a second consecutive term of 5 years as an Independent Director of the Company and not be liable to retire by rotation.

Pursuant to section 164 of the Companies Act, 2013, Mr. Satish Chandra Pandey is being eligible for appointment as an Independent Director and has given his consent to act as a Director and also provided the declaration that, he meets the criteria of independence as prescribed under Section 149(6) of the Act and the SEBI (LODR) Regulations, 2015").

Mr. Satish Chandra Pandey has attained the age of 79 years in the financial year 2018- 2019 and in view of the SEBI (LODR) (Amendment) Regulations, 2018, as applicable w.e.f. April 1, 2019 and also for an abundant precaution, the Company seeks consent of the members by way of special resolution to appoint and continue to hold the office of an independent Director for his remaining tenure of his appointment of the Company after the age of 79 years .

In the opinion of the Board, Mr. Satish Chandra Pandey fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations and considered him as independent to the management of the Company. The copy of the letter of appointment of Mr. Satish Chandra Pandey as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company on all

working days between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.

Details of Mr. Satish Chandra Pandey, are provided in the "Annexure A" to the Notice. He shall be paid remuneration by way of sitting fees for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board and reimbursement of expenses for participating in the Board and other meetings.

Accordingly, the Board recommends the Resolution No. 7 in relation to appointment of Mr. Satish Chandra Pandey as an Independent Director, for the approval by the members of the Company.

Except Mr. Satish Chandra Pandey, being the appointee director, none of the Directors and Key Managerial Personnel of the Company and their relatives are in anyway concerned or interested financially or otherwise in the resolution as set out at Item No. 7 as **Special Resolution**.

#### **Item No. 8**

Pursuant to the provisions of Section 71 of the Act which deals with the issue of debentures read with Section 42 of the Act which deals with the offer or invitation for subscription of securities of a Company on private placement, Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, the Company intends to offer or invite subscriptions for secured/unsecured redeemable non-convertible debentures, in one or more series/ tranches, of an aggregate nominal value up to Rs. 1000.00 Crores only (Rupees One Thousand Crores only), on a private placement basis or otherwise.

In this regard before making an offer or invitation for subscription on a private placement basis or otherwise, the Company is required to obtain approval of its members by means of a Special Resolution. It shall be sufficient if the Company passes a Special Resolution only once in a year for all the offers or invitations for such non-convertible debentures during the year.

The Board may, at an appropriate time, consider offering or inviting subscriptions for secured/unsecured redeemable non-convertible debentures, in one or more series/tranches on private placement, issuable/redeemable at par, in order to augment long- term resources for financing inter-alia the ongoing capital expenditure and for general corporate purposes. The pricing of the NCDs will depend primarily upon the then prevailing market conditions and the regulatory scenario.

Keeping in view the above, consent of the members is sought for passing the Special Resolution as set out at Item No. 8 of the Notice. This enabling resolution authorises the Board of Directors of the Company to offer or invite subscription for redeemable non- convertible debentures, as may be required by the Company, from time to time and as set out herein, for a period of 1 (one) year from the date of passing this resolution.

None of the Directors or Key Managerial Personnel of the Company and their relatives are in any way concerned or interested financially or otherwise, as set out at **Item No. 8 as Special Resolution.**

The Board of Directors recommend passing of the Special Resolution as set out in Item No. 8 of this notice for the approval of members.

#### **Item No. 9**

Section 42 of the Companies Act, 2013, read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, prescribe the provisions subject to which a company is allowed to issue Securities on Private Placement basis. Every proposed offer of Securities or invitation to subscribe to Securities on Private Placement basis requires prior approval of Members of the Company by way of Special Resolution.

In view of the aforesaid provisions and in order to augment the business of the Company, it is proposed to take the approval of the Members for borrowing, from time to time, by issuance of Commercial Papers (CPs), on Private Placement basis, upto an amount not exceeding Rs. 1000.00 Crores only (Rupees One Thousand Crores only) with or without earmarking of the Working Capital Limit. The said limit shall be within the overall borrowing limit as may be approved by the Members under Section 180(1)(c) of the Companies Act, 2013.

The pricing of the CPs will depend primarily upon the then prevailing market conditions and the regulatory scenario. The pricing for each of the issuance would be approved by the Board of Directors.

None of the Directors or Key Managerial Personnel's of the Company and their relatives, are in any way concerned or interested financially or otherwise, as set out at **Item No. 9 as Special Resolution.**

The Board of Directors recommend passing of the Special Resolution as set out in Item No. 9 of this notice for the approval of members.

#### **Item No. 10**

The Board has considered that in the ordinary course of business, the Company is required to give loans and provide guarantee and securities on behalf of the Subsidiary Companies and/or Associate Companies (whether public or private company, SPV, or other than SPV) and/or Joint Venture and/or Trust and/or Body Corporate(s), Banks, Financial Institutions, NBFC and other body corporate(s) while providing financial support/Loans as per the requirement of the lenders/government authorities and business necessity from time to time. The Board considered that by the Companies (Amendment Act), 2017, the Central Government has substituted the section 185 and according to that, now the Company is eligible to give loans and provide guarantee or security on behalf of the other Companies to the Bank and Financial Institutions, etc. where any or all the directors are interested, subject to the requirement for approval of the members by way of special resolution and that the amount of loans, guarantee and securities should be utilised by such Companies for their principal business activities. Hence, in order to conduct the smooth operations of the business and align with the various legislations, policies, guidelines laid down by various statutory authorities/lenders and other operational business requirements of the Subsidiary Companies and/or Associate Companies (whether public or private company) and/or Joint Venture and/or Trust and/or Body Corporate(s), on the basis of recommendation of Audit Committee, the Board of Directors of the Company has proposed to obtain the required approval of shareholders by way of special resolution as contained in the notice of the Annual General Meeting for an amount not exceeding Rs. 917.00 Crores only (Rupees Nine Hundred Seventeen Crores ) in one or more tranches at any time and the said loan/ guarantee/any security given by the Company shall be utilised for the principal business activities of the recipient Company(ies). The details of limit are as under :

<b>Name of the Company to whom loan be given</b>	<b>Purpose of giving loan</b>	<b>Rate of Interest</b>	<b>Limit (In Crores)</b>
Suryavanshi Infrastructure Private Limited	To meet out contingency requirements	Not applicable as it is providing infrastructural facility	20
DBL Nadiad Modasa Tollways Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	20
DBL Sardarpur Badnawar Tollways Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	20
DBL Silwani-Sultanganj Tollways Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	20
DBL Mundi-Sanawad Tollways Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	20
DBL Sitamau-Suwasara Tollways Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	20
DBL Uchera - Nagod Tollways Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	20
DBL Jaora-Sailana Tollways Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	20
DBL Bankhlafata-Dogawa Tollways Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	20
DBL Ashoknagar-Vidisha Tollways Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	20
DBL Betul-Sarni Tollways Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	20
DBL Tikamgarh Nowgaon Tollways Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	20
DBL Hata Dargaon Tollways Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	20
DBL Patan Rehli Tollways Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	20
Jalpa Devi Tollways Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	50
DBL Mundargi Harapanahalli Tollways Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	20
DBL Hassan Periyapatna Tollways Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	20
DBL Hirekerur Ranibennur Tollways Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	20
DBL Lucknow Sultanpur Highways Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	50
DBL Kalmath Zarap Highways Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	50
DBL Tuljapur Ausa Highways Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	50
DBL Mahagaon Yavatmal Highways Private Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	50
DBL Yavatmal Wardha Highways Private Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	50

Name of the Company to whom loan be given	Purpose of giving loan	Rate of Interest	Limit (In Crores)
DBL Wardha Butibori Highways Private Limited	To meet out debt servicing & O & M payments in case of delay in receipt of Annuity	Not applicable as it is providing infrastructural facility	50
DBL-VPR Mining Private Limited	To meet routine business of the Company	Not applicable as it is providing infrastructural facility	1.00
DBL Pachhwara Coal Mine Private Limited	To meet routine business of the Company	Not applicable as it is providing infrastructural facility	10.00
Dilip Buildcon Limited-Varah Infra Limited (JV)	To meet routine business of the Company	Not less than the rate of prevailing yield of 1 year, 3 years , 5 years or 10 years government securities closet to the tenor of loan .	5.00
Aarneel Technocraft Private Limited	To meet routine business of the Company	Not less than the rate of prevailing yield of 1 year, 3 years , 5 years or 10 years government securities closet to the tenor of loan .	50.00
Dilip Mass Communication Private Limited	To meet routine business of the Company	Not less than the rate of prevailing yield of 1 year, 3 years , 5 years or 10 years government securities closet to the tenor of loan .	1.00
DNN Media Communication Private Limited	To meet routine business of the Company	Not less than the rate of prevailing yield of 1 year, 3 years , 5 years or 10 years government securities closet to the tenor of loan .	10.00
Genex Hotels Private Limited	To meet routine business of the Company	Not less than the rate of prevailing yield of 1 year, 3 years , 5 years or 10 years government securities closet to the tenor of loan .	50.00
Other (unidentified companies/not yet incorporated companies)	Requirement may arouse in future to incorporate new SPV for the execution of Road projects .	Not less than the rate of prevailing yield of 1 year, 3 years , 5 years or 10 years government securities closet to the tenor of loan, if applicable	100.00
<b>Total</b>			<b>917.00</b>

Your Board of Directors therefore, recommend the **Special Resolution** for approval of the members as set out in Item No. 10 of this notice for the approval of members.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other official(s) of the Company are financially interested in the aforesaid resolution, however they may be deemed to be interested financially or otherwise to the extent of their directorship or the shareholding by them in such Companies, if any.

#### Item No. 11

The Chairman informed that in order to facilitate the fund raising in future via further issue of equity shares of the company including through qualified institutions placement

or public issue, private placement, GDRs, ADRs, Foreign Currency Convertible Bonds, Convertible Debentures and such other securities, meeting out working capital requirements of the Company, Business and Strategy planning or Business Expansion of the Company or for carrying out the other general corporate purposes of the Company, it was felt necessary to increase the Authorised Share Capital of the Company from Rs. 1,60,00,00,000/- (Rupees One Hundred Sixty Crores only) divided into 16,00,00,000/- (Sixteen Crores) equity shares of Rs.10/- (Rupees Ten only) each (the "Equity Shares") to Rs. 1,80,00,00,000/- (Rupees One Hundred Eighty Crores only) divided into 18,00,00,000/- (Eighteen Crores) equity shares of Rs. 10/- each (Rupees Ten only) each.

Upon the recommendation of the Audit Committee, the Board of Directors of the Company at its meeting held on August 05,

2019 has approved the proposal to increase the Authorised Share Capital of the Company and consequent amendments to the Memorandum of Association of the Company.

Increase in Authorized share Capital would necessitate amendment to Clause V of Memorandum of Association of the Company and require approval of the members by passing an Ordinary Resolution.

Your Board of Directors therefore, recommend the Ordinary Resolution for approval of the members as set out in Item No. 11 as an **Ordinary Resolution**.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any of other official(s) of the Company are financially interested in the aforesaid resolution, however they may be deemed to be interested financially or otherwise to the extent of their directorship or the shareholding by them.

#### Item No. 12

The special resolution contained in the Notice under Item No.12 relates to a resolution by the Company enabling the Board to create, issue, offer and allot Equity Shares, GDRs, ADRs, Foreign Currency Convertible Bonds, Convertible or Non-convertible Debentures and such other securities as stated in the resolution (the "Securities"), including by way of a Qualified Institutional Placement in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), in one or more tranches, at such price as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the issue, offer, and allotment shall be made considering the prevalent market conditions and other relevant factors and wherever necessary, in consultation with lead manager(s) and other agencies that may be appointed by the Board for the purpose of the Issue.

This special resolution enables the Board to issue Securities of the Company for an aggregate amount not exceeding Rs. 2000.00 Crores only (Rupees Two Thousand Crores Only) or its equivalent thereof.

The special resolution also seeks to empower the Board to issue Securities by way of QIP to QIBs in accordance with Chapter VI of the SEBI ICDR Regulations. The pricing of the Securities that may be issued to QIBs pursuant to SEBI ICDR Regulations shall be freely determined subject to such price not being less than the price determined in accordance with the pricing formula

provided under Chapter VI of the SEBI ICDR Regulations (the "QIP Floor Price"), Further, the Board may also offer a discount of not more than such percentage as permitted on the QIP Floor Price calculated in accordance with the pricing formula provided under SEBI ICDR Regulations. The "Relevant Date" for this purpose will be the date as determined in accordance with the SEBI ICDR Regulations.

As the Issue may result in the issue of Securities of the Company to investors who may or may not be members of the Company, consent of the members is being sought pursuant to Sections 23, 42 and 62(1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and any other law for the time being in force and being applicable and in terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Directors recommend the resolution set out at Item No. 12 to be passed as a **Special Resolution** by the members.

None of the Promoter, Director, Key Managerial Personnel of the Company and their relatives are deemed to be concerned or interested financially or otherwise in the said resolution, except to the extent of Equity Shares/ Securities that may be subscribed to by them or by companies/ firms/ institutions in which they are interested as director or member or otherwise.

#### Item No. 13

Considering the rich experience and expertise brought to the Board by the Non-Executive Directors and in appreciation of their contribution and services they have rendered/will be rendering to the Company, it is proposed to make payment of Commission not exceeding 0.25% per annum of the net profit of the Company to calculated in accordance with the provisions of Section 198 of the Act, to the Non-Executive Directors of the Company (i.e. directors other than the Managing Director and/or Whole time Director).

The said remuneration to Non-Executive Directors shall be in addition to the sitting fee payable to them and out-of-pocket expenses incurred for attending meetings of the Board and Committees thereof. The resolution set out in Item No. 13 of the Notice is accordingly recommended by the Board for your approval as **Special Resolution**.

Save and except all the Non-Executive Directors of the Company, none of the other Directors/Key managerial personnel of the Company / their relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 13 of the Notice as Special Resolution.



## AGM Route Map

**Kwalita's Motel Shiraz, Service Road, Board Office Square,  
Shivaji Nagar, Bhopal - 462011, Madhya pradesh.**

**(ANNEXURE A TO NOTICE DATED AUGUST 05, 2019)**

**Details of Directors Seeking Appointment/Re-Appointment/variation of the terms of remuneration at the forthcoming Annual General Meeting  
[Pursuant to Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standard-2 on General Meetings]**

<b>Name of Director</b>	<b>Mrs. Seema Suryavanshi</b>	<b>Ms. Ratna Dharashree Vishwanathan</b>	<b>Mr. Satish Chandra Pandey</b>
<b>DIN</b>	00039946	07278291	07072768
<b>Date of Birth and age</b>	06.11.1962, (56 years)	15.04.1963, (56 years)	11.05.1940, (79 years)
<b>Date of Appointment on the Board</b>	12.06.2006	30.03.2019	23.01.2015
<b>Qualifications</b>	Graduate (B.A.)	She holds Master's Degree in English Literature from Lucknow University, and has Diploma in Environment and Third World Development from London School of Economics.	He holds a bachelor's degree in civil engineering from Government College of Engineering & Technology, Raipur.
<b>Experience and Expertise</b>	More than 20 years of experience in the business of Road Construction and actively participates in finance, investment and various Company affairs	She has an extensive experience of about 31 years experience in various sectors such as strategy building, microfinance, project management, change management, human resource and financial management. She was on the board of directors of Mudra Bank and has also been the chief executive officer of Microfinance Institutions Network. She belongs to the 1987 batch of the Indian Audit and Accounts Service (IA & AS) and has also served various departments of the Government of India including Audit, Defense and Prasar Bharti.	He has previously worked as secretary with the Public Works Department, Government of Madhya Pradesh for 38 years
<b>Directorships held in other public companies and private companies (excluding foreign companies)</b>	<p><b>Directorship in other Unlisted Companies:</b> DBL Sitamau-Suwasara Tollways Limited. DBL Ashoknagar-Vidisha Tollways Limited. DBL Betul-Sami Tollways Limited. DBL Tikamgarh-Nowgaon Tollways Limited.</p> <p><b>Directorship in other Private Companies:</b> Kymore Iron Ore Private Limited. Suryavanshi Minerals Private Limited.</p> <p>DNN Media Communication Private Limited. Highfly Airlines Private Limited. DBL Wardha Butibori Highways Private Limited. DBL Anandapuram Anakapalli Highways Private Limited DBL Bargaon Watambare Highways Private Limited. DBL Sangli Bargaon Highways Private Limited. DBL Mangalwedha Solapur Highways Private Limited.</p>	<p><b>Directorship in other Unlisted Companies</b> MoneyBox Finance Limited</p> <p><b>Directorship in other Private Companies</b> Fusion Micro Finance Private Limited Shikhar Micro Finance Private Limited</p>	<b>Directorship in other Unlisted Companies : NIL</b> Directorship in other Private Companies : NIL
<b>Memberships/ Chairmanships of Committees across all companies</b>	Member of Audit / Nomination and Remuneration Committee in the following Unlisted Public Companies: DBL Ashoknagar/Vidisha Tollways Limited DBL Betul Sami Tollways Limited DBL Tikamgarh Nowgaon Tollways Limited Member of Borrowing Committee and Business Development and Administration Committee in Dilip Buildcon Limited.	She is the members of Stakeholder Relationship Committee, Audit Committee Nomination and Remuneration Committee in MoneyBox Finance Ltd	He is the chairman of the following committees in Dilip Buildcon Limited :  Audit Committee/ Nomination and Remuneration Committee/ Corporate Social Responsibility Committee/ Stakeholders' Relationship Committee/ Group Governance Committee/ Lending & Investment Committee.
<b>Number of Board Meetings attended during the year</b>	8 of 8	1 of 8*	7 of 8
<b>No. of Equity Shares held in the Company</b>	11,904,200(8.70%)	Nil	Nil
<b>Recognition or awards</b>	Nil	Nil	Nil
<b>Disclosures of relationship between Directors inter-se</b>	She is not related to any other Director, Manager or other Key Managerial Personnel of the Company except Mr. Dilip Suryavanshi, Chairman and Managing Director. She is spouse of Mr. Dilip Suryavanshi	Nil	Nil

<b>Terms and Conditions of appointment or re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person</b>	As per Nomination and Remuneration Policy of the Company as displayed on the Company's website, <a href="http://www.dilipbuildcon.com/wps/wcm/connect/98fcb883-de4d-47a7-8171-d580e14ed629/Nomination+and+Remuneration+Policy.pdf?MOD=AJPERES&amp;CONVERT_TO=url&amp;CACHEID=ROOTWORKSPACE-98fcb883-de4d-47a7-8171-d580e14ed629-mDD5pTX">http://www.dilipbuildcon.com/wps/wcm/connect/98fcb883-de4d-47a7-8171-d580e14ed629/Nomination+and+Remuneration+Policy.pdf?MOD=AJPERES&amp;CONVERT_TO=url&amp;CACHEID=ROOTWORKSPACE-98fcb883-de4d-47a7-8171-d580e14ed629-mDD5pTX</a> , and resolution regarding Re-appointment mentioned in the notice of Annual General Meeting 2019.	As per Nomination and Remuneration Policy of the Company as displayed on the Company's website, <a href="http://www.dilipbuildcon.com/wps/wcm/connect/98fcb883-de4d-47a7-8171-d580e14ed629/Nomination+and+Remuneration+Policy.pdf?MOD=AJPERES&amp;CONVERT_TO=url&amp;CACHEID=ROOTWORKSPACE-98fcb883-de4d-47a7-8171-d580e14ed629-mDD5pTX">http://www.dilipbuildcon.com/wps/wcm/connect/98fcb883-de4d-47a7-8171-d580e14ed629/Nomination+and+Remuneration+Policy.pdf?MOD=AJPERES&amp;CONVERT_TO=url&amp;CACHEID=ROOTWORKSPACE-98fcb883-de4d-47a7-8171-d580e14ed629-mDD5pTX</a> , and resolution regarding Re-appointment mentioned in the notice of Annual General Meeting 2019.	As per Nomination and Remuneration Policy of the Company as displayed on the Company's website, <a href="http://www.dilipbuildcon.com/wps/wcm/connect/98fcb883-de4d-47a7-8171-d580e14ed629/Nomination+and+Remuneration+Policy.pdf?MOD=AJPERES&amp;CONVERT_TO=url&amp;CACHEID=ROOTWORKSPACE-98fcb883-de4d-47a7-8171-d580e14ed629-mDD5pTX">http://www.dilipbuildcon.com/wps/wcm/connect/98fcb883-de4d-47a7-8171-d580e14ed629/Nomination+and+Remuneration+Policy.pdf?MOD=AJPERES&amp;CONVERT_TO=url&amp;CACHEID=ROOTWORKSPACE-98fcb883-de4d-47a7-8171-d580e14ed629-mDD5pTX</a> , and resolution regarding Re-appointment mentioned in the notice of Annual General Meeting 2019.
<b>Justification for choosing the appointees for appointment as an Independent Directors</b>	The last drawn remuneration paid for the FY 2017-18 Rs. 200.00 Lakhs.	Sitting fees: Rs. 0.25 Lakhs She holds <b>Master's Degree in English Literature</b> from Lucknow University and has <b>Diploma in Environment and Third World Development</b> from London School of Economics. She has an extensive experience of about 31 years across a wide range of diversified sectors such as strategy building, microfinance, project management, change management, Human Resource and Financial management.  Her professional Journey includes:	Sitting fees: Rs. 3.55 Lakhs TO=uri&CACHEID=ROOTWORKSPACE-98fcb883-de4d-47a7-8171-d580e14ed629-mDD5pTX. and resolution regarding Re-appointment mentioned in the notice of Annual General Meeting 2019
		<ul style="list-style-type: none"> <li>• Belonging to the 1987 batch of the <b>Indian Audit and Accounts Service (IA &amp; AS)</b>, served various departments of the Government of India including Audit, Defense and Prasar Bharti during 1987-2008.</li> <li>• She had been on the Board of Mudra Bank (set up by the Govt. of India in 2015) during 2015-18, and is Member of the RBI's Financial Inclusion Advisory Committee and has been the Chairperson of the South Asian Microfinance Network.</li> <li>• She has been the CEO of MFIN (Microfinance Institutions Network) from Jan-2014 to Jan-2018 and built a strong Self Regulating Organisation in line with the sector supervision mandate of the RBI and has brought in a strong sense of credibility for the sector.</li> <li>• She was the CEO of the <b>Sustainable India Finance Facility</b> which is an entity set up in partnership between the <b>United Nations Environment Programme</b> and <b>BNP Paribas</b> to bring in private sector investment and capacity building into sectors such as sustainable agriculture, water conservation, renewables and forest protection.</li> <li>• She has served at very senior levels in well-known international NGOs such as Oxfam India and VSO India during 2008-2013.</li> </ul>	

**\* Ms. Ratna Dharashree Vishwanathan** has been appointed as an Additional Woman Director in the category of an Independent Director of the Company on March 30, 2019.

**Place : Bhopal**  
**Date : August 05, 2019**

**By Order of the Board**  
**Dilip Buildcon Limited**  
  
**Abhishek Shrivastava**  
**Company Secretary**

## BOARD'S REPORT

To,  
The Members,  
Dilip Buildcon Limited

Your Directors have pleasure in presenting their 13<sup>th</sup> Annual Report on the business and operations along with the audited financial statements of the Company for the Financial Year ended March 31, 2019.

### Financial Results

The summary of the Standalone and Consolidated performance are set out below:

Particulars	Standalone		Consolidated	
	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018
<b>Gross Revenue</b>	<b>916460.83</b>	<b>776139.55</b>	<b>946315.47</b>	<b>795468.47</b>
Total expenses	836390.65	708247.01	888492.10	734725.65
<b>Profit before exceptional items &amp; tax</b>	<b>80070.18</b>	<b>67892.54</b>	<b>57823.37</b>	<b>60742.82</b>
Exceptional items	426.60	(1520.77)	(157.60)	2379.25
Profit / (loss) before tax	80496.78	66371.77	57665.77	63122.07
Tax expenses:				
Current tax	12990.24	1277.13	12974.60	1277.32
Deferred tax	(8987.53)	3064.55	(9679.16)	4842.15
<b>Profit for the year from continuing operations</b>	<b>76494.07</b>	<b>62030.09</b>	<b>54370.33</b>	<b>57002.60</b>
Share of Profit/(loss) of Associates	-	-	374.31	761.77
Profit for the Year	76494.07	62030.09	54744.64	57764.37
Other comprehensive income				
Items that will not be reclassified to profit or loss (Net of Taxes)	(109.06)	32.85	(109.06)	32.85
<b>Total Comprehensive Income for the year</b>	<b>76385.01</b>	<b>62062.93</b>	<b>54635.58</b>	<b>57797.22</b>
<b>Add: Balance in Profit and Loss Account (Adjusted)</b>	<b>174734.58</b>	<b>129317.79</b>	<b>156640.09</b>	<b>115927.60</b>
<b>Sub Total</b>	<b>251119.59</b>	<b>191380.72</b>	<b>211275.67</b>	<b>173724.83</b>
<b>Less: Appropriation</b>				
Dividend	1367.70	1367.71	1367.70	1367.71
Tax on Dividend	281.13	278.44	281.13	278.44
Debenture Redemption Reserve	-	15000.00	-	15000.00
Others	-	-	0.09	438.60
<b>Closing Balance</b>	<b>249470.76</b>	<b>174734.58</b>	<b>209626.75</b>	<b>156640.09</b>

Note: The abovementioned figures are rounded off to two decimal points.

## Financial Performance

During the year under review, your Company reported a revenue growth of 18% over the previous year. At Standalone level, the Revenue from Operations amounted to Rs. 9,11,821.93 Lakhs as against Rs. 7,74,587.68 Lakhs in the previous year. The Profit before Tax amounted to Rs. 80,496.78 Lakhs as against Rs. 66,371.77 Lakhs in the previous year. The Net Profit for the year amounted to Rs. 76,494.07 Lakhs as against Rs. 62,030.09 Lakhs reported in the previous year and Total Comprehensive Income for the year amounted to Rs. 76,385.01 Lakhs as against Rs. 62,062.93 Lakhs in the previous year.

The Consolidated Revenue from Operations amounted to Rs. 9,41,584.30 Lakhs as against Rs. 7,93,747.92 Lakhs in the previous year, registering a growth of 19%. The Consolidated Profit before Tax amounted to Rs. 57,665.77 Lakhs as against Rs. 63,122.08 Lakhs in the previous year. The Consolidated Net Profit after Tax amounted to Rs. 54,744.64 Lakhs as against Rs. 57,764.36 Lakhs in previous year and Total Comprehensive Income for the year amounted to Rs. 54,635.58 Lakhs as against Rs. 57,797.21 Lakhs in previous year.

The performance and financial position of the subsidiary companies are included in the Consolidated Financial Statements and presented in the Management Discussion and Analysis Report forming part of this Annual Report.

## Dividend

Your Directors have recommended a dividend of Rs. 1/- (Rupee One, i.e. 10%) per equity share of Face Value Rs. 10.00 (Rupees Ten only) each (previous year Rs. 1 per equity share i.e. 10% on the equity share of Rs. 10/- each) for the Financial Year 2018-19. The dividend payment is subject to the approval of members at the ensuing Annual General Meeting and will be paid to those members whose names appear in the Company's Register of Members and to those persons whose names appear as beneficial owners as per the details to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) as on the date of book closure and shall be paid within the period of 30 days from the date of declaration at the Annual General Meeting.

Pursuant to Regulation 43A of the SEBI (LODR) Regulations, 2015, your company is falling under the top five hundred listed entities based on market capitalization and required to formulate a Dividend Distribution Policy. The Board has approved and adopted the Dividend Distribution Policy and the same is available on the Company's website at [http://dilipbuildcon.com/wps/wcm/connect/982dc3b1-0df8-4c49-93fe-7988d2dc5b00/Dividend+Distribution+Policy.pdf?MOD=AJPERES&CONVERT\\_TO=url&CACHEID=ROOTWORKSPACE-982dc3b1-0df8-4c49-93fe-7988d2dc5b00-m0w-IE1](http://dilipbuildcon.com/wps/wcm/connect/982dc3b1-0df8-4c49-93fe-7988d2dc5b00/Dividend+Distribution+Policy.pdf?MOD=AJPERES&CONVERT_TO=url&CACHEID=ROOTWORKSPACE-982dc3b1-0df8-4c49-93fe-7988d2dc5b00-m0w-IE1). The Policy is also annexed herewith as **Annexure 1** to the Board's Report. The dividend pay-out is in accordance with the Company's Dividend Distribution Policy.

## Business Operations :

### Overview

DBL is a large road construction company with capabilities in roads, bridges, mining excavation, dams, canals, metro rail viaducts, and industrial, commercial and residential buildings, with a presence in 17 states in India. As on March 31, 2019, DBL had completed the construction of 113 projects across 14 states in India, out of which 108 are road projects with an aggregate length of approximately 13,577.23 Lane kms. DBL's achievements are attributable to a combination of factors, including our ability to successfully execute our EPC projects earlier than scheduled, pursuant to which DBL has received DBL's focus on geographically clustering of projects for efficiency and profitability, substantial investment in, and efficient use of construction equipment bank, and backward integration through in-house production of structural parts used in projects.

DBL specializes in constructing state and national highways, city roads, culverts and bridges. As a result of the natural growth of road construction business and rising opportunities in new business areas, DBL has expanded into irrigation, urban development, mining excavation and metro rail viaduct businesses. DBL's business comprises: (i) construction business, under which DBL undertake road, irrigation, urban development, metro rail viaduct and mining excavation projects on an EPC basis; and (ii) infrastructure maintenance and operations business, under which DBL undertake maintenance and operation of BOT road projects.

As of March 31, 2019, DBL had an order book of ₹21,17,179 Lakhs, consisting of 19 road EPC projects, 17 road BOT projects, one irrigation project, five mining excavation projects, one cable-stayed bridge project, one urban development project and two metro rail viaduct projects.

As of March 31, 2019, DBL owned a modern equipment fleet of 11,741 vehicles and other construction equipment from some of the world's leading suppliers, such as Schwing Stetter India Private Limited, Metso India Private Limited, Wirtgen India Private Limited, GMMCO Limited, Volvo Group India Private Limited, Atlas Copco India Limited and Ashok Leyland Limited. DBL is one of the largest employers in construction industry in India and employed 35,153 employees as of March 31, 2019.

## CONSTRUCTION BUSINESS

### Roads & Bridges:

In roads and bridges construction business, DBL mainly design, construct and maintain roads, bridges and highways pursuant to EPC contracts and BOT contracts awarded. DBL's revenue from the road and bridge construction business has grown from ₹ 6,66,940 Lakhs for the Financial Year 2018 to ₹ 8,00,272 Lakhs for the Financial Year 2019. As of March 31, 2019, DBL has a total of 37 road and bridge projects in 12 Indian states. Order book for these road and bridge projects amounted to ₹ 17,11,407 Lakhs, accounting for 81% of total order book, as of March 31, 2019.

### Mining Projects:

In mining excavation business, DBL undertake overburden removal and excavation at coal mines. DBL diversified into this business in the Financial Year 2016 to exploit core experience of bulk material handling and highvolume excavation and earthwork and existing equipment, which DBL handled in roads and bridges construction business. As of March 31, 2019, DBL has completed one mining excavation project and has five ongoing mining excavation projects. DBL has recognized revenue of ₹ 93,964 Lakhs and ₹ 84,114 Lakhs from the mining excavation business for the Financial Years 2019 and 2018, respectively. Order book for these mining excavation projects amounted to ₹ 3,04,817 Lakhs, accounting for 14% of total order book, as of March 31, 2019.

### Metro Rail Viaduct:

DBL diversified into metro rail viaduct business in the Financial Year 2019, DBL undertake the design and construction of elevated viaducts for metro rail projects. As of March 31, 2019, DBL has two ongoing metro rail projects in Madhya Pradesh. Order book for these metro rail viaduct projects amounted to ₹ 42,502 Lakhs, accounting for 2% of total order book, as of March 31, 2019.

The Bhopal metro rail project involves the design and construction of elevated viaduct of 6.23 km between AIIMS and Subhash Nagar (excluding the stations) including entry and exit ramp in Bhopal, Madhya Pradesh, as part of Phase I of the Bhopal Metro Rail Project. The project is scheduled to be completed by March 31, 2021.

The Indore metro rail project involves design and construction of elevated viaduct of 5.29 km between ISBT/MR10 Flyover and Mumtaj Bag Colony (excluding the stations) in Indore, Madhya Pradesh as part of Phase I of the Indore Metro Rail Project. The project is scheduled to be completed by March 31, 2021.

### Urban development:

In urban development business, DBL undertake the re-development and re-densification of government housing projects, build residential units under affordable housing schemes and construct parallel taxi tracks. DBL has completed two urban development projects as on March 31, 2019. DBL recognized revenue of ₹ 6,626 Lakhs and ₹ 3,146 Lakhs from the urban development business for the Financial Years 2019 and 2018, respectively. As of March 31, 2019, DBL has one ongoing urban development project. Order book for this urban development project amounted to ₹ 4,791 Lakhs, accounting for 0.2% of our total order book, as of March 31, 2019.

### Irrigation:

In irrigation business, DBL undertake the design and construction of canals, tunnels and dams for agricultural irrigation purposes. DBL diversified into this business in the Financial Year 2014 to explore the opportunities in this area created by the increased focus of the Central and the State Governments on agriculture. In the Financial Year 2018, DBL completed the Mohanpura Major Multi-Purpose dam Project. DBL recognized revenue of ₹ 3,756 Lakhs and ₹ 16,096 Lakhs from the irrigation business for the Financial Years 2019 and 2018, respectively. As of March 31, 2019, DBL has completed two EPC irrigation projects and has one ongoing EPC irrigation project in Rajasthan. Order book for the irrigation projects amounted to ₹ 53,663 Lakhs, accounting for 3% of total order book, as of March 31, 2019.

## ROAD INFRASTRUCTURE MAINTENANCE AND TOLL OPERATION BUSINESS

In road infrastructure maintenance and toll operation business, DBL maintain roads and highways and conduct toll operations of BOT projects. As of March 31, 2019, DBL had completed 18 projects totalling 2,675.71 Lane kms. These completed BOT projects include projects undertaken on various public private partnership models, such as on a (i) hybrid annuity basis - where the Gol shares a portion of the total cost of the project and the source of revenue is the fixed amount that the relevant government agency pays us for building and maintaining the roads on an annual basis, (ii) purely toll basis - where the only source of revenue is the toll chargeable on vehicles using the road, (iii) purely annuity basis - where the only source of revenue is the fixed amount that the relevant government agency pays us for building and maintaining the roads on an annual basis, and (iv) toll plus annuity basis - where the source of revenue includes the toll chargeable on vehicles using the road and the fixed amount that the relevant government agency pays us for building and maintaining the roads on an annual basis. Due to the annuity component in our operational BOT projects,

income is assured to the extent of the annuities to be collected during each financial year under the relevant concessions, thus reducing the risk of income fluctuations resulting from traffic pattern changes.

As of March 31, 2019, DBL has a portfolio of 36 BOT projects, of which 18 have been completed, and the remaining 18 projects are under-construction. The 18 completed BOT projects include projects undertaken on hybrid annuity basis, toll basis, annuity basis and annuity plus toll basis. The 18 under construction BOT projects are all being undertaken on a hybrid annuity basis.

DBL has divested 18 completed and 6 under construction BOT projects by way of share acquisition cum shareholders agreements entered into with Shrem Roadways Private Limited, Shrem Tollway Private Limited and Shrem Infraventure Private Limited.

### Divestment of BOT Projects

Given DBL's strategy and focus on providing EPC services, DBL has taken steps to free up capital invested in the Divestment Projects for re-deployment elsewhere. DBL has entered into 24 separate tripartite share acquisition cum shareholders agreements with Shrem Roadways Private Limited and Shrem Infraventure Private Limited (individually the "Shrem Entity" and collectively, the "Shrem Entities"), as applicable, each dated March 26, 2018 pursuant to which DBL agreed to transfer its

entire equity shareholding in 18 of the completed BOT project SPVs and six of the under-construction BOT project SPVs to the relevant Shrem Entity (the "Divestment").

As of March 31, 2019, out of the 18 completed BOT projects, DBL transferred 85.0% of its equity shareholding in seven completed BOT project SPVs, 74.0% of its equity shareholding in one completed BOT project SPV, 70.0% in one completed BOT project SPV and 48.9% of its equity shareholding in another completed BOT project SPV to the relevant Shrem Entity pursuant to these agreements. The remainder of DBL's equity shareholding in these BOT project SPVs and DBL's entire shareholding in the remaining eight BOT project SPVs will be transferred upon the completion of certain conditions contained in the agreements.

In addition, DBL has agreed to transfer, in the first instance, 49.0% of its equity shareholding in five of the under-construction BOT project SPVs to the relevant Shrem Entity, and, upon these projects achieving their respective commercial operation dates, the remaining 51.0% of DBL's equity shareholding in these BOT project SPVs. Additionally, with respect to one of the under-construction BOT project SPVs, the relevant Shrem Entity holds 49.0% of the equity shareholding as of March 31, 2019 and DBL has agreed to transfer 51.0% of its equity shareholding in this BOT project SPV upon achieving its commercial operation date. These transfers are subject to the satisfaction of the conditions precedent contained in the relevant share acquisition cum shareholders agreement.

### Our Order Book

Our total order book was ₹ 21,17,179 Lakhs as of March 31, 2019.

The following table sets forth the breakdown of our order book as of March 31, 2019 by geographical areas:

Indian state	No. of Projects	Outstanding order value (₹ in Lakhs)	% of outstanding order value
Andhra Pradesh	4	1,25,591	5.9%
Chhattisgarh	1	1,240	0.1%
Goa	4	82,991	3.9%
Haryana	1	1,131	0.1%
Jharkhand	3	1,22,644	5.8%
Karnataka	7	4,93,532	23.3%
Madhya Pradesh	6	2,58,538	12.2%
Maharashtra	11	5,18,105	24.5%
Odisha	2	1,68,968	8.0%
Rajasthan	1	53,663	2.5%
Telangana	2	94,443	4.5%
Uttar Pradesh	3	1,80,790	8.5%
West Bengal	1	15,545	0.7%
<b>Total</b>	<b>46</b>	<b>21,17,179</b>	<b>100.0%</b>

## Awards

Your Directors are pleased to inform that during the financial year 2018-19, your Company and Directors have received various awards and recognition. The major ones among them are as follows:

Nature of Awards	Category
8 <sup>th</sup> EPC World in 2018	Award for Outstanding Contribution in Roads & Highways (EPC Category)
Certificate of Appreciation given by the National Highways Authority of India (MORTH)	For Completion of Guna-Biaora NH-46 (old NH-3) project well before the schedule time and appreciate your company efforts and efficiency associated in completion of the projects.
Construction World 2018	Fastest Growing Construction Company (Large Category)
Infra Awards 2018 (Dun & BradStreet )	1) For Guna- Biaora section of NH-3, Phase -IV, MP 2) Construction of Infrastructure Development (Roads & Highways).
National Highways Awards for Excellence, 2018	Silver Award for excellence in Construction Management (PPP) (Guna -Biaora Section)
Construction Week Awards, 2018	1. Roads & Highways Project of the Year of the Year- Amritsar Tarn Taran. 2. Road Contractor of the Year. 3. Infrastructure Company of the Year. 4. Infrastructure Person of the Year- Mr. Devendra Jain.
Appreciation by Gulf	Continued support and partnership appreciation by Gulf.

## Management Discussion and Analysis

The Management Discussion and Analysis for the year under review as stipulated under the SEBI (LODR) Regulations, 2015 is presented in a separate section forming part of this Annual Report.

### Particulars of loans made, guarantees given, security provided and investment made

As per Companies Amendment Act, 2017, Section 186(11) of the Companies Act, 2013, except Section 186(1), nothing contained in section 186 of the Companies Act, 2013 shall apply to any loan made, any guarantee given or any security provided or any investment made by a Company engaged in the business of providing infrastructural facilities. Since the Company is an Infrastructure Company, the criteria of section 186 is not applicable to the Company except sub section 1 of section 186 of the Companies Act, 2013.

However, the details of loans, guarantees, and investments as required by the provisions of Section 186 of the Companies Act, 2013 and the rules made thereunder are set out in the Notes to the Standalone Financial Statements of the Company. (Please refer to Note No.3,4 and 44 to the Standalone Financial Statements).

## Consolidated Financial Statements

The Audited Consolidated Financial Statements for the Financial Year ended March 31, 2019, based on the financial statements received from Subsidiaries and Associates as approved by their respective Board of Directors, have been prepared in accordance with relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and forms an integral part of this Annual Report.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries/Associate Companies is given in Form AOC-1 and forms an integral part of this Annual Report.

## Corporate Governance Report

The Corporate Governance Report pursuant to the SEBI (LODR) Regulations, 2015 as applicable for the year under review is presented in a separate section forming part of this Annual Report.

### Change in the nature of business, if any

There is no change in the nature of business of the Company during the year under review.

## SHARE CAPITAL AND NON-CONVERTIBLE DEBENTURES

### (a) Change in the capital structure of the Company

During the period under review, there is no change in the capital structure of your Company.

### (b) Status of Shares

As the members are aware, the Company's shares are compulsorily tradable in electronic form. Out of the total paid up capital representing 136,769,768 equity shares, the following equity shares of the Company are in dematerialised and physical form as on March 31, 2019:

S. No	Capital Details	No. of shares	% of Total issued Capital
1	Held in dematerialised form in CDSL	3624115	2.65
2	Held in dematerialised form in NSDL	133145553	97.35
3.	Physical	100	0.00
<b>Total no. of shares</b>		<b>136769768</b>	<b>100.00</b>

**Note:** Pursuant to the amendment in Regulation 40 of SEBI (LODR) Regulations, 2015, dated June 8, 2018, has mandated that transfer of securities would be carried out in dematerialized form only. So, it is requested to all the Members holding the shares in physical form to convert into dematerialise form.

### c) ISSUANCE AND ALLOTMENT OF THE NON-CONVERTIBLE DEBENTURES OF THE COMPANY

Your Company has issued and allotted 6,000 non-convertible debentures on December 28, 2017, in the form of senior, secured, unlisted, rated, redeemable, rupee denominated, having face value of Rs.10,00,000/- (Rupees Ten lakhs only) each, issued at par aggregating to Rs. 600.00 Crores (Rupees Six Hundred Crores only) in dematerialized form on a private placement basis, bearing a coupon rate of 8.90% p.a. payable semi-annually every year. The said debentures on private placement basis have been issued in 13 series for door to door tenure of 5 years with moratorium of 2 years. The Company has appointed Axis Trustee Services Limited as the debenture trustee for the benefit of the debenture holders.

As per the rule 18(7)(c) of the Companies (Share Capital and Debentures) Rules 2014, the Company has deposited 15% (i.e. Rs. 13.50 Crores on 30<sup>th</sup> April 2019) of the amount with

the scheduled bank and free from any charge or lien for debentures maturing during the next financial year.

### General Disclosures

The Board of Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Details relating to deposits covered under Chapter V of the Act and rules made thereunder.
- As per rule 4(4) the Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued equity shares with differential rights as to dividend, voting or otherwise.
- As per rule 8(13) the Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued shares (including sweat equity shares) to employees of the Company under any scheme.
- As per rule 12(9) the Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued equity shares under the scheme of employee stock option.
- As per rule 16(4) the Companies (Share Capital and Debentures) Rules, 2014, there are no voting rights exercised directly or indirectly by the employees in respect of shares held by them. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the Company's going concern status and operations in future.
- No fraud has been reported by the Auditors to the Audit Committee or the Board.
- There is no amount of unpaid/unclaimed dividend and shares which are required to be transferred in IEPF (Investor Education and Protection Fund) as per the provisions of the Companies Act, 2013.
- The details with respect to unpaid dividend for the financial year 2016-17 and 2017-18 can be accessed at <http://www.dilipbuildcon.com/wps/portal/dbl/investors/shareholders-centre>

## Reserves

As per Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, the Company is required to create a Debenture Redemption Reserve for the purpose of redemption of debentures at the rate of 25% of the value of the outstanding

debentures. The value of outstanding debentures being Rs. 600 Crores, at year ending March 2019 the debenture reserve of Rs.150.00 Crores has been created and the equivalent amount has been transferred from 'Retained Earnings' to 'Debenture Redemption Reserve'.

## POSITION OF SHARES TRANSFERRED BY THE COMPANY TO SHREM

The Company has signed an indicative term sheet with Chhatwal Group Trust or its Affiliates on August 24, 2017 with respect to divestment of its entire stake in your 24 Subsidiaries (SPV). The Share acquisition cum shareholder agreements in respect of these 24 subsidiaries (SPV) was entered into on March 26, 2018. Details of the shareholding of the following Companies as on March 31, 2019 are as under:

S. No	Name of Company	Date of Transfer	No. of shares transferred to Shrem	Total shares of the Company transferred as on March 31, 2019	% of transferred shares	Status of Company as on March 31, 2019
1	DBL Sitamau Suwasara Tollways Limited	11.04.2018	5424900	6587400	85*	Holding 15 % shares by the Company
		30.03.2019	1162500			
2	DBL Silwani Sultanganj Tollways Limited	11.04.2018	699900	849900	85*	Holding 15 % shares by the Company
3	DBL Mundi-Sanawad Tollways Limited	11.04.2018	699900	849900	85*	Holding 15 % shares by the Company
		30.03.2019	150000			
4	DBL Joara- Sailana Tollways Limited	11.04.2018	13999900	16999900	85*	Holding 15 % shares by the Company
		30.03.2019	3000000			
5	DBL Uchera Nagod Tollways Limited	11.04.2018	22399900	27199900	85*	Holding 15 % shares by the Company
		30.03.2019	4800000			
6	DBL Bankhlafata Dogawa Tollways Limited	11.04.2018	11199900	13599900	85*	Holding 15 % shares by the Company
		30.03.2019	2400000			
7	DBL Saradarpur Badnawar Tollways Limited	11.04.2018	174900	212400	85*	Holding 15 % shares by the Company
		30.03.2019	37500			
8	DBL Ashoknagar Vidisha Tollways Limited	11.04.2018	13971900	13971900	69.99*	Associate
9	DBL Patan Rehli Tollways Limited	11.04.2018	49403	49403	48.89	Subsidiary
10	DBL Nadiad Modasa Tollways Limited	02.05.2018	20058400	21204700	74*	Associate
		30.03.2019	1146300			

\*Also include the Shares held by nominee.

**Material changes and commitments, affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of the report.**

The following shares has been transferred after the date of the Balance Sheet :

S. No	Name of Company	Date of Transfer	No. of shares transferred to Shrem Roadways Private Limited	Total shares of the Company transferred as on March 31, 2019	% of transferred shares	Status of Company as on date of this report
1	DBL Tikamgarh- Nowgaoan Tollways Limited	06.06.2019	721093	721093	85*	Holding 15 % shares by the Company

\*Also include the Shares held by nominee.

The Company has obtained approval of the members by way of special resolution on September 11, 2017 for aforesaid dis investment in the subsidiary companies. Apart from the above said matter, there are no material changes or commitments affecting the financial position or business activities of the Company between the end of the Financial Year and the date of this Report.

**Details in respect of adequacy of Internal Financial Controls with reference to the Financial Statements.**

The Company has designed and implemented a process driven framework for Internal Financial Controls (“IFC”) within the meaning of the explanation to Section 134(5)(e) of the Companies Act, 2013 read with Rule 8(5)(viii) of the Companies (Accounts) Rules, 2014, the Board is of the opinion that the Company has sound Internal Financial Control commensurate with the nature and size of its business operations and operating effectively and no material weakness exists. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and/or improved controls wherever the effect of such gaps would have a material effect on the Company’s operations. Under this process includes the design, implementation and maintenance of adequate Internal financial control that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, safeguarding of its assets, the prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Act.

The Company has appointed independent audit firm as Internal Auditors to observe the Internal Control system.

The Board of Directors of the Company have adopted various policies like Related Party Transactions Policy, Vigil Mechanism Policy, Policy to determine Material Subsidiaries, Group Governance Policy and such other procedures for ensuring the

orderly and efficient conduct of its business for safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control system and suggests improvements to strengthen the same. The Company has robust management information system, which is an integral part of the control mechanism.

Further, with effect from April 5, 2018, the Company has implemented the SAP HANA – ERP for its common database, central repository, Real-time Procure to Pay, strong Financial Tracking, Supply Chain, Fleet Movement & Maintenance, Project Planning, Execution, Monitoring & Control, Client Billing, Payroll & Resource Management for HR, Production of processed material like WMM, HMP, Concrete, etc, Document Management System for Statutory requirement. SAP has given us the integrated Business Operations Platform covering all our functions & departments to execute our Projects and provided the tight checks & control in Procurement, Payment, Billing, Finance & accounting. This automation & error free environment has resulted the accuracy & efficiency in our work. This has totally removed the duplicity of work and data. SAP ERP will incorporate an integrated framework for managing risks and internal controls. The internal financial controls will be documented, embedded and digitized in the business processes.

**The details of investments made in the subsidiary companies during the year and performance of the subsidiary companies are as under:**

**(a) Subsidiary Companies**

During the year under review, ten (10) new Companies have been incorporated as subsidiaries of the Company, out of which nine (9) are wholly owned subsidiaries. The details are as follows:

S. No.	Name of Subsidiary	Date of Incorporation	Status
1	DBL Gorhar Khairatunda Highways Private Limited	04.04.2018	Wholly Owned Subsidiary
2	DBL Nidagatta Mysore Highways Private Limited	09.04.2018	Wholly Owned Subsidiary
3.	DBL Rewa Sidhi Highways Private Limited	11.04.2018	Wholly Owned Subsidiary
4.	DBL Byrapura Challakere Highways Private Limited	11.04.2018	Wholly Owned Subsidiary
5.	DBL Mangloor Highways Private Limited	11.04.2018	Wholly Owned Subsidiary
6	DBL Sangli Borgaon Highways Private Limited	11.04.2018	Wholly Owned Subsidiary
7	DBL Borgaon Watambare Highways Private Limited	11.04.2018	Wholly Owned Subsidiary
8	DBL Mangalwedha Solapur Highways Private Limited	11.04.2018	Wholly Owned Subsidiary
9	DBL Bellary Byrapura Highways Private Limited	10.07.2018	Wholly Owned Subsidiary
10	DBL Pachhwara Coal Mine Private Limited	04.09.2018	Subsidiary

The Policy for determining material subsidiary company, as approved, can be accessed on the Company's website at the link [http://www.dilipbuildcon.com/wps/wcm/connect/84c8f6b5-a7cc-4418-b705-ddb816eb4d04/Material+Subsidiary+Policy.pdf?MOD=AJPERES&CONVERT\\_TO=url&CACHEID=ROOTWORKSPACE-84c8f6b5-a7cc-4418-b705-ddb816eb4d04-mDM.6Fb](http://www.dilipbuildcon.com/wps/wcm/connect/84c8f6b5-a7cc-4418-b705-ddb816eb4d04/Material+Subsidiary+Policy.pdf?MOD=AJPERES&CONVERT_TO=url&CACHEID=ROOTWORKSPACE-84c8f6b5-a7cc-4418-b705-ddb816eb4d04-mDM.6Fb)

As per Regulation 16(1)(c) of SEBI (LODR), DBL Lucknow Sultanpur Highways Limited has been considered as material subsidiary of the Company. Pursuant to Regulation 24A the said material unlisted subsidiary has undertaken Secretarial Audit for the financial year 2018-19.

As per Regulation 24 of SEBI (LODR), your Company does not have any material subsidiary.

#### (b) Shares subscribed/acquired during the year

Name of the Company	Type of Shares	No. of shares	Total amount of Investment including premium (Rs. in Lakhs)	% of holding acquired
DBL Mahagaon Yavatmal Highways Pvt. Ltd.	Equity	*9712	950.03	100.00
DBL Chandikhole Bhadrak Highways Pvt. Ltd.	Equity	*345331	6,104.00	100.00
DBL Tuljapur Ausa Highways Ltd.	Equity	*44880	1,530.20	50.93%
DBL Anandapuram Anakapalli Highways Pvt. Ltd.	Equity	*349800	11,005.06	100.00
DBL Gorhar Khairatunda Highways Pvt. Ltd.	Equity	*50000	5.00	100.00
DBL Bangalore Nidagatta Highways Pvt. Ltd.	Equity	*50000	5.00	100.00
DBL Nidagatta Mysore Highways Pvt. Ltd.	Equity	*50000	5.00	100.00
DBL Rewa Sidhi Highways Pvt. Ltd.	Equity	*159611	4,530.01	100.00
DBL Byrapura Challakere Highways Pvt. Ltd.	Equity	*730062	4060.00	100.00
DBL Mangloor Highways Pvt. Ltd.	Equity	*50000	5.00	100.00
DBL Sangli Borgaon Highways Pvt. Ltd.	Equity	*50000	5.00	100.00
DBL Borgaon Watambare Highways Pvt. Ltd.	Equity	*50000	5.00	100.00
DBL Mangalwedha Solapur Highways Pvt. Ltd.	Equity	*50000	5.00	100.00
DBL Bellary Byrapura Highways Pvt. Ltd.	Equity	*50000	5.00	100.00
DBL Pachhwara Coal Mine Pvt. Ltd.	Equity	7400	0.74	74 .00

\*includes equity shares held by nominees on behalf of Dilip Buildcon Limited, and the Company is having beneficial ownership on such shares.

**(c) Statement of the Subsidiaries & Associates**

As on March 31, 2019, the Company has 31 Subsidiaries & 2 Associates and all are unlisted. The Company does not have any Foreign Subsidiaries and Associate There has been no change in the nature of business activities of any of the subsidiaries/Associates.

In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared a Consolidated Financial Statements of the Company and all its Subsidiary /Associate Companies, which is forming part of the Annual Report. As per the provisions of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the financial statements of the Subsidiary/Associate

Companies is prepared in Form AOC-1 and the same is annexed to the Annual Report.

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Board's Report of the Company, containing therein its standalone and consolidated financial statements has been placed on the website of the Company, [www.dilipbuildcon.com](http://www.dilipbuildcon.com). Further, as per fourth proviso of the said section, Audited Financial Statements of each of the Subsidiary/Associate companies have also been placed on the website of the Company, [www.dilipbuildcon.com](http://www.dilipbuildcon.com). Shareholders interested in obtaining a copy of the Audited Financial Statements of the Subsidiary/ Associate companies may write to the Company Secretary at the Company's Registered Office.

**(d) Shareholding position of the Subsidiaries/Associates as per the agreement entered with Shrem group on March 26, 2018 and also included in the consolidated financial statement**

S. No	Name of Company	% of Shares to be transferred as per the agreement entered with Shrem	% of shares transferred till March 31, 2019	% of pending shares to be transferred	Status of Company as on March 31, 2019
1	Suryavanshi Infrastructure Private Limited	100	Nil	100	Wholly Owned Subsidiaries
2	DBL Nadiad Modasa Tollways Limited	74	74	Nil	Associate
3	DBL Ashoknagar Vidisha Tollways Limited	100	69.99	30	Associate
4	DBL Betul-Sarni Tollways Limited	100	Nil	100	Wholly Owned Subsidiaries
5	DBL Tikamgarh-Nowgaon Tollways Limited*	100	Nil	100	Wholly Owned Subsidiaries
6	DBL Hata-Dargawon Tollways Limited	100	Nil	100	Wholly Owned Subsidiaries
7	DBL Patan Rehli Tollways Limited	100	49	51	Subsidiaries
8	Jalpa Devi Tollways Limited	100	Nil	100	Wholly Owned Subsidiaries
9	DBL Mundargi Harapanahalli Tollways Limited	74	Nil	74	Wholly Owned Subsidiaries
10	DBL Hassan Periyapatna Tollways Limited	74	Nil	74	Wholly Owned Subsidiaries
11	DBL Hirekerur Ranibennur Tollways Limited	74	Nil	74	Wholly Owned Subsidiaries
12	DBL Lucknow Sultanpur Highways Limited	100	Nil	100	Wholly Owned Subsidiaries
13	DBL Kalmath Zarap Highways Limited	100	Nil	100	Wholly Owned Subsidiaries
14	DBL Tuljapur Ausa Highways Limited	51	NIL	Nil	Subsidiary
15	DBL Yavatmal Wardha Highways Private Limited	100	Nil	100	Wholly Owned Subsidiaries
16	DBL Mahagaon Yavatmal Highways Private Limited	100	Nil	100	Wholly Owned Subsidiaries
17	DBL Wardha Butibori Highways Private Limited	100	Nil	100	Wholly Owned Subsidiaries

\*Dilip Buildcon Limited had transferred 85% shares in DBL Tikamgarh - Nowgaon Tollways Limited to Shrem Roadways Private Limited on 6th June 2019.

**(e) Performance and financial position of each of the subsidiaries/Associates included in the consolidated financial statement**

**Details of Wholly Owned Subsidiaries**

**(i) Suryavanshi Infrastructure Private Limited (“SIPL”)**

SIPL is involved in the business of undertaking reconstruction, strengthening, widening and rehabilitation and operation and maintenance of Mandsaur-Sitama Road in the state of Madhya Pradesh on a BOT basis. The Company (DBL) has not yet transferred any shares to Shrem Roadways Private Limited and currently the status of SIPL is Wholly owned Subsidiary of the Company.

During the period under review, SIPL has achieved Total Income of Rs. 411.72 Lakhs and earned Net Profit after Tax of Rs. 252.90 Lakhs.

**(ii) DBL Betul – Sarni Tollways Limited (“DBSTL”)**

DBSTL is involved in the business of developing Betul - Sarni - Tikadhana - Junnardeo - Parasia Road being developed by MPRDC on BOT (toll plus annuity) basis in the state of Madhya Pradesh. The Company (DBL) has not yet transferred any shares to Shrem Roadways and currently the status of DBSTL is wholly owned subsidiary of the Company.

During the period under review, DBSTL has achieved Total Income of Rs. 3366.26 Lakhs and has incurred Net Loss after Tax of Rs. 642.62 Lakhs.

**(iii) DBL Tikamgarh – Nowgaon Tollways Limited (“DTNTL”)**

DTNTL is involved in the development of Tikamgarh (Dhajrai)- Jatara-Palera-Nowgaon Road being developed by MPRDC on DBFOT (toll plus annuity) basis in the state of Madhya Pradesh. The Company (DBL) has entered into tripartite agreement i.e. Share acquisition cum shareholder agreement, on March 26, 2018 with Shrem Roadways Private Limited and DTNTL, for transfer of 100% shares of the Company held in DTNTL. As per the terms of the said agreement, the Company (DBL) has transferred 85% shares i.e. 721093 on June 6, 2019 including nominee shares held in the name of the Company to Shrem Roadways Private Limited (SRPL) and to the nominees of SRPL on the date of this report.

Currently the DTNTL has become the Subsidiary of Shrem Roadways Private Limited.

During the period under review, DTNTL has achieved the total income of Rs. 2547.96 Lakhs and earned Net Profit after Tax of Rs. 447.76 Lakhs.

**(iv) DBL Hata-Dargawon Tollways Limited (“DHDTL”)**

DHDTL is involved in the business of undertaking the project of strengthening-widening, maintaining and operating of Hata- Fatehput-Rajpura-Silapuri-Bajna-Dargawon (SH-48) Road on BOT (toll plus annuity) basis. The Company (DBL) has not yet transferred any shares to Shrem Roadways Private Limited held in DHDTL and currently the status of DHDTL is wholly owned subsidiary of the Company.

During the period under review, DHDTL has achieved Total Income of Rs. 1383.52 Lakhs and has incurred Net Loss after Tax of Rs. 93.02 Lakhs.

**(v) Jalpa Devi Tollways Limited (“JDTL”)**

JDTL is involved in the business of undertaking a project “Four laning of Guna-Biaora Section of NH-3 from km 332.100 to km 426.100 in the state of Madhya Pradesh under NHDP-IV to be executed in BOT (toll) mode on DBFOT basis.” The Company (DBL) has not yet transferred any shares to Shrem Tollways Private Limited held in JDTL and currently the status of JDTL is wholly owned subsidiary of the Company.

During the period under review, JDTL has achieved Total Income of Rs. 9057.86 Lakhs and has incurred Net Loss after Tax of Rs. 1149.76 Lakhs.

**(vi) DBL Mundargi Harapanahalli Tollways Limited (“DMHTL”)**

DMHTL is involved in the business of undertaking the project design, build, finance, operate, maintain and transfer of Existing State Highway named Mundargi-Hadagali-Harapanahalli on DBFOMT annuity basis. The Company (DBL) has not yet transferred any shares to Shrem Roadways Private Limited held in DMHTL and currently the status of DMHTL is Wholly owned Subsidiary of the Company.

During the period under review, DMHTL has achieved Total Income of Rs. 1678.07 Lakhs and earned Net Profit after Tax of Rs. 818.72 Lakhs.

**(vii) DBL Hassan Periyapatna Tollways Limited (“DHPTL”)**

DHPTL is involved in the business of undertaking the project “design, build, finance, operate, maintain and transfer of the existing State highway, Hassan-Ramanathapura-Periyapatna in the state of Karnataka on a DBFOMT annuity basis.” The Company (DBL) has not yet transferred any shares to Shrem Roadways Private Limited held in DHPTL and currently the status of DHPTL is Wholly owned Subsidiary of the Company.

During the period under review, DHPTL has achieved Total Income of Rs. 2424.82 Lakhs and earned Net Profit after Tax of Rs.1103.96 Lakhs.

**(viii) DBL Hirekerur Ranibennur Tollways Limited (“DHRTL”)**

DHRTL is involved in the business of undertaking the project “design, build, finance, operate, maintain and transfer of existing state highway Hirekerur-Ranibennur in the state of Karnataka on DBFOMT Annuity basis.” The Company (DBL) has not yet transferred any shares to Shrem Roadways Private Limited held in DHRTL and currently the status of DHRTL is Wholly owned Subsidiary of the Company.

During the period under review, DHRTL has achieved Total Income of Rs. 1844.91 Lakhs and has earned Net Profit after Tax of Rs. 467.09 Lakhs.

**(ix) DBL Lucknow Sultanpur Highways Limited (“DLSHL”)**

DLSHL is a public limited Company incorporated as a special purpose vehicle on September 9, 2016 for the purpose of undertaking the project “Four-Laning of the Lucknow – Sultanpur Section of NH-56 in the State of Uttar Pradesh on a Hybrid Annuity Basis.” Currently the Company (DBL) has not yet transferred any shares to Shrem Infraventure Private Limited held in DLSHL and the status of DLSHL is Wholly owned Subsidiary of the Company.

During the period under review, DLSHL has achieved Total Income of Rs. 90301.46 Lakhs and incurred Net Loss after Tax of Rs. 7493.75 Lakhs.

**(x) DBL Kalmath Zarap Highways Limited (“DKZHL”)**

DKZHL is a public limited Company incorporated as a special purpose vehicle on December 13, 2016 for the

purpose of project “Rehabilitation and up-gradation of NH-66 (Kalmath to Zarap section) to four-lane with paved shoulder in the state of Maharashtra on Hybrid Annuity Mode”. Currently, the Company (DBL) has not yet transferred any shares to Shrem Infraventure Private Limited held in DKZHL and the status of DKZHL is Wholly owned Subsidiary of the Company.

During the period under review, DKZHL has achieved Total Income of Rs. 46533.03 Lakhs and incurred Net Loss after Tax of Rs. 1919.44 Lakhs.

**(xi) DBL Yavatmal Wardha Highways Private Limited (“DYWHPL”)**

DYWHPL incorporated as special purpose vehicle on April 21, 2017 for the purpose of project “Four Laning of Yavatmal to Wardha (Package-III) section of NH-361 from Km 400.575 to Km 465.500 (design length 64.925 Km) in the state of Maharashtra under NHDP Phase -IV on Hybrid Annuity mode”. Currently, the Company (DBL) has not yet transferred any shares to Shrem Infraventure Private Limited held in DYWHPL and the status of DYWHPL is Wholly owned Subsidiary of the Company.

During the period under review, DYWHPL has achieved Total Income of Rs. 62101.22 Lakhs and has incurred the Net Loss after Tax of Rs. 2213.25 Lakhs.

**(xii) DBL Mahagaon Yavatmal Highways Private Limited (“DMYHPL”)**

DMYHPL incorporated as special purpose vehicle on April 24, 2017 for the purpose of project “Four Laning of Mahagaon to Yavatmal (Package-II) section of NH-361 from Km 320.580 to Km 400.575 (design length 80.195) in the state of Maharashtra under NHDP Phase -IV on Hybrid Annuity mode.” Currently, the Company (DBL) has not yet transferred any shares to Shrem Infraventure Private Limited held in DMYHPL and the status of DMYHPL is Wholly owned Subsidiary of the Company.

During the period under review, DMYHPL has achieved Total Income of Rs. 63766.67 Lakhs and has incurred the Net Loss after Tax of Rs. 1453.26 Lakhs.

**(xiii) DBL Wardha Butibori Highways Private Limited (“DWBHPL”)**

DWBHPL incorporated as special purpose vehicle on April 24, 2017 for the purpose of project “Four

Laning of Wardha-Butibori Section of NH-361 from km 465.500 to km 524.690 (design length 59.190 km) under NH (O) in the state of Maharashtra on Hybrid Annuity mode.” Currently, the Company (DBL) has not yet transferred any shares to Shrem Infraventure Private Limited held in DWBHPL and the status of DWBHPL is Wholly owned Subsidiary of the Company.

During the period under review, DWBHPL has achieved Total Income of Rs. 59690.02 Lakhs and has incurred Net Loss after Tax of Rs. 1856.81 Lakhs.

**(xiv) DBL Chandikhole Bhadrak Highways Private Limited (“DCBHPL”)**

DCBHPL incorporated as special purpose vehicle on February 6, 2018 for the purpose of project “Rehabilitation and Up-gradation of Six-Laning of Chandikhole-Bhadrak Section of NH-5 (New NH-16) from km 62.000 to km 136.500 in the State of Odisha to be executed as Hybrid Annuity Mode under NHDP Phase V.”

During the period under review, DCBHPL has achieved Total Income of Rs. 15105.75 Lakhs and has incurred Net Loss after Tax of Rs. 659.90 Lakhs.

**(xv) DBL Bangalore Nidagatta Highways Private Limited (“DBNHPL”)**

DBNHPL incorporated as special purpose vehicle on March 23, 2018 to undertake the project of “Six-laning of Bangalore-Nidagatta, km 18.000 to km 74.200 of NH-275 in state of Karnataka to be executed on Hybrid Annuity Mode.”

During the period under review, DBNHPL has achieved Total Income of Rs. 29.59 Lakhs and has incurred Net Loss after Tax of Rs. 740.90 Lakhs.

**(xvi) DBL Anandapuram Anakapalli Highways Private Limited (“DAAHPL”)**

DAAHPL incorporated as special purpose vehicle on March 26, 2018 for the purpose of project “Six Laning of Anandapuram-Pendurthi-Anakapalli section of NH-5 (New NH-16) from Km. 681.000 (Existing Km. 681.000) to Km. 731.780 (Existing 742.400) (Design Length= 50.78 Km) in the State of Andhra Pradesh under Bharatmala Pariyojna on Hybrid Annuity Mode.”

During the period under review, DAAHPL has achieved Total Income of Rs. 25257.80 Lakhs and has incurred Net Loss after Tax of Rs. 1665.92 Lakhs.

**(xvii) DBL Gorhar Khairatunda Highways Private Limited (“DGKHPL”)**

DGKHPL incorporated as special purpose vehicle on April 09, 2018, to undertake the project of “Six laning of Gorhar to Khairatunda section of NH-2 from km.320.810 to km. 360.300 in the state of Jharkhand under NHDP phase-V on Hybrid Annuity mode.” DGKHPL is yet to commence its business. Hence, there is no revenue and profit generated during the period under review. However, DGKHPL has incurred Net Loss of Rs. 106.68 Lakhs during the period under review.

**(xviii) DBL Nidagatta Mysore Highways Private Limited (“DNMHPL”)**

DNMHPL incorporated as special purpose vehicle on April 09, 2018 to undertake the project of “Six Laning of Nidagatta-Mysore Section from Km 74.20 to Km 135.304 of NH-275 in the State of Karnataka to be executed on Hybrid Annuity Mode.”

During the period under review, DNMHPL has achieved Total Income of Rs. 880.56 Lakhs and has incurred Net Loss after Tax of Rs. 715.09 Lakhs.

**(xix) DBL Rewa Sidhi Highways Private Limited (“DRSHPL”)**

DRSHPL incorporated as special purpose vehicle on April 11, 2018, to undertake the project of “Construction of Churhat bypass including Tunnel on Rewa Sidhi section of NH 75E from chainage 33.200 to chainage 55.400 (design length 15.350 km.) in the state of MP on Hybrid Annuity Mode.”

During the period under review, DRSHPL has achieved Total Income of Rs. 11682.57 Lakhs and has incurred Net Loss after Tax of Rs. 894.12 Lakhs.

**(xx) DBL Byrapura Challakere Highways Private Limited (“DBCHPL”)**

DBCHPL incorporated as special purpose vehicle on April 11, 2018, to undertake the project of “Four laning of Byrapura to Challakere section of NH-150 A, from km.308.550 to km. 358.500 in the state of Karnataka under Bharatmala Pariyojna on Hybrid Annuity Mode”.

During the period under review, DBCHPL has achieved Total Income of Rs. 11993.27 Lakhs and has incurred Net Loss after Tax of Rs. 462.07 Lakhs.

**(xxi) DBL Mangloor Highways Private Limited (“DMHPL”)**

DMHPL incorporated as special purpose vehicle on April 11, 2018, to undertake the project of “Four laning of NH-161 from Mangloor (Design Km 86.788/ Existing Km 91.350) to Telangana/Maharashtra Border (Design Km 135.751/Existing Km 140.873) (Design Length =48.963 Km) in the State of Telangana under Bharatmala Pariyojana on Hybrid Annuity Mode.” DMHPL is yet to commence its business. Hence, there is no revenue and profit generated during the period under review. However, DMHPL has incurred Net Loss of Rs. 322.40 Lakhs during the period under review.

**(xxii) DBL Sangli Bargaon Highways Private Limited (“DSBHPL”)**

DSBHPL incorporated as special purpose vehicle on April 11, 2018 to undertake the project “Four laning of Sangli-Solapur (Package-I: Sangli to Bargaon) Section of NH-166 from existing Ch. Km. 182.195 to Ch. 219.956 (Design Ch. Km. 182.556 to Km. 224.000) of length 41.444 Km in the State of Maharashtra on Hybrid Annuity Mode”. DSBHPL is yet to commence its business. Hence, there is no revenue and profit generated during the period under review. However, DSBHPL has incurred Net Loss of Rs. 184.21 Lakhs during the period under review.

**(xxiii) DBL Bargaon Watambare Highways Private Limited (“DBWHPL”)**

DBWHPL incorporated as special purpose vehicle on April 11, 2018 to undertake the project of “Four laning of Sangli-Solapur (Package-II: Bargaon to Watambare) Section of NH-166 from existing Ch.Km. 219.956 to Ch.272.394 (Design Ch. Km. 224.000 to Km.276.000) of length 52.000 Km in the State of Maharashtra on Hybrid Annuity Mode” . DBWHPL is yet to commence its business. Hence, there is no revenue and profit generated during the period under review. However, DBWHPL has incurred Net Loss of Rs. 178.38 Lakhs during the period under review.

**(xxiv) DBL Mangalwedha Solapur Highways Private Limited (“DMSHPL”)**

DMSHPL incorporated as special purpose vehicle on April 11, 2018 to undertake the project of “Four

laning of Sangli-Solapur (Package-IV: Mangalwedha to Solapur) Section of NH-166 from existing Ch. Km. 314.969 to Ch. 370.452 (Design Ch.Km. 321.600 to Km. 378.100) of length 56.500 Km in the State of Maharashtra on Hybrid Annuity Mode.” DMSHPL is yet to commence its business. Hence, there is no revenue and profit generated during the period under review. However, DMSHPL has incurred Net Loss of Rs. 204.82 Lakhs during the period under review.

**(xxv) DBL Bellary Byrapura Highways Private Limited (“DBBHPL”)**

DBBHPL incorporated as special purpose vehicle on July 10, 2018 to undertake the project of “Four laning from Km. 253.600 to Km 308.550 of Bellary to Byrapura Section of NH-150(A) on Hybrid Annuity Mode under Bharatmala Pariyojana in the State of Karnataka.” DBBHPL is yet to commence its business. Hence, there is no revenue and profit generated during the period under review. However, DBBHPL has incurred Net Loss of Rs. 334.86 Lakhs during the period under review.

**(xxvi) Bhavya Infra & Systems Private Limited (“BISPL”)**

BISPL is a Private Limited Company engaged in the business of Job work, Repair & installation of machinery & equipment, motor vehicles and other related activity. BISPL is a wholly owned subsidiary of Dilip Buildcon Limited.

During the period under review, the Company has achieved Total Income of Rs. 187.63 Lakhs and has incurred the Net Profit after tax of Rs. 3.39 Lakhs.

**(xxvii) Jalpa Devi Engineering Private Limited (“JDEPL”)**

JDEPL is a Private Limited Company incorporated on March 9, 2017 as wholly owned subsidiary of Dilip Buildcon Limited to carry on the business of manufacturing, producing, casting, recycling, upcycling, assembling, reconstructing, engineering and other related activities of all kinds of machineries, equipments, tools etc. The Company is yet to commence its business. Hence, there is no revenue and profit generated during the period under review. However, the Company has incurred Loss of Rs. 383.01 Lakhs during the period under review.

## Details of Subsidiaries :

### (i) DBL Tuljapur Ausa Highways Limited (“DTAHL”)

DTAHL is a Public Limited Company incorporated as special purpose vehicle on March 24, 2017 for the purpose of project “Four Laning of Tuljapur-Ausa (including Tuljapur Bypass) Section of NH-361 on Hybrid Annuity Mode in the State of Maharashtra”. The Company (DBL) has not yet transferred any shares to Shrem Infrastructure Private Limited held in DTAHL and the status of DTAHL is Subsidiary of the Company.

During the period under review, DTAHL has achieved Total Income of Rs. 35445.38 Lakhs and incurred Net Loss after Tax of Rs. 1805.01 Lakhs.

### (ii) DBL Patan-Rehli Tollways Limited (“DPRTL”)

DPRTL is involved in the business of undertaking the project of Development of Patan-Tendukheda-Rehli (SH-15) Road on BOT (toll plus annuity) basis. Currently the status of DPRTL is Subsidiary of the Company.

During the period under review, DPRTL has achieved Total Income of Rs. 4026.40 Lakhs and earned Net Profit after Tax of Rs. 809.05 Lakhs.

### (iii) DBL –VPR Mining Private Limited (“DVMPL”)

DVMPL incorporated as special purpose vehicle on January 2, 2018 to carry out the business of prospecting, exploring, operating and working on mines & quarries and other mining activities in India and elsewhere. The Company is yet to commence its business. Hence, there is no revenue and profit generated during the period under review. However, the Company has incurred Net Loss of Rs. 1.12 Lakhs during the period under review.

### (iv) DBL Pachhara Coal Mine Private Limited (“DPCML”)

DPCML incorporated as special purpose vehicle on September 04, 2018 to undertake the project of “Mine Developer Cum Operator for Development and operation of the Pachhara Central Coal Mine located in Pakur District of Jharkhand, India with a peak rated capacity of 7 MTPA”. DPCML is yet to commence its business. Hence, there is no revenue and profit generated during the period under review. However, DPCML has incurred Net Loss of Rs. 18.14 Lakhs during the period under review.

## Details of Associates :

### (i) DBL Nadiad Modasa Tollways Limited (“DNMTL”)

DNMTL is involved in developing a part of the existing Nadiad to Modasa Road (SH-59) to two lanes (with paved shoulder) highway in the state of Gujarat. As per the terms of the agreement entered with Shrem group, the Company has transferred 21204700 Equity Shares including nominee shareholders (74%) held in DNMTL to Shrem Roadways Private Limited (SRPL) and to the nominees of SRPL. Currently, the status of DNMTL has become Associate Company of the Company.

During the period under review, DNMTL has achieved Total Income of Rs. 3217.01 Lakhs and earned Net Profit after Tax of Rs. 1949.17 Lakhs.

### (ii) DBL Ashoknagar-Vidisha Tollways Limited (“DAVTL”)

DAVTL is involved in the business of development, operation and maintenance of the two laning with paved shoulder of Ashoknagar-Vidisha Major District Road on BOT (toll plus annuity) basis in the state of Madhya Pradesh. Currently, the status of DAVTL has become Associate Company of the Company.

During the period under review, DAVTL has achieved Total Income of Rs. 848.32 Lakhs and has incurred Net Loss after Tax of Rs. 180.19 Lakhs.

## Auditors and Auditors' Report

### (a) Statutory Auditors & their Reports

M/s MSG & Associates, Chartered Accountants, Bhopal (ICAI Firm Registration No. 010254C) and M/s Mukund M. Chitale & Co., Chartered Accountants, Mumbai (ICAI Firm Registration No. 106655W) were appointed as the Joint Statutory Auditors of the Company for a term of 5 years at the Annual General Meeting held on September 11, 2017 and September 25, 2014, respectively, subject to the ratification of shareholders at every Annual General Meeting of the Company, on such remuneration as may be determined by the Board.

In terms of the provisions relating to statutory auditors forming part of the Companies Amendment Act, 2017, notified on May 7, 2018, ratification of appointment of Statutory Auditors at every AGM is no more a legal requirement. Accordingly, the notice convening the ensuing AGM does not carry any resolution on ratification of the appointment of the Statutory Auditors.

M/s MSG & Associates, Chartered Accountants, Bhopal and M/s Mukund M. Chitale & Co., Chartered Accountants, Mumbai have audited the books of accounts of the Company for the financial year ended March 31, 2019 and have issued the Auditors' Report thereon. There are no qualifications or reservations on adverse remarks or disclaimers in the said report. Further, no fraud has been reported by the Auditors to the Audit Committee or the Board during the period under review.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

M/s Mukund M. Chitale & Co., Chartered Accountants, Mumbai (ICAI Firm Registration No. 106655W) who was appointed as the Joint Statutory Auditors of the Company for a term of 5 years at the Annual General Meeting of the Company held on September 25, 2014, to hold such office from the Conclusion of the 8<sup>th</sup> Annual General Meeting till the Conclusion of the 13<sup>th</sup> Annual General Meeting of the Company to be held in the calendar year 2019, being eligible for re-appointment. The Board of Directors, on the recommendation of Audit Committee, has proposed re-appointment of M/s Mukund M. Chitale & Co., Chartered Accountants, Mumbai as the Statutory Auditor of the Company, to hold the office for second consecutive term of 3 (Three) years from the conclusion of this ensuing Annual General Meeting till the conclusion of 16<sup>th</sup> Annual General Meeting of the Company to be held in the calendar year 2022 at a remuneration of Rs. 43,00,000/- (Rupees Forty Three Lakhs Only) (which includes Audit Fee, Consolidation of Account, Limited Review Report) plus applicable taxes and reimbursement of out of pocket expenses at actuals.

The Company has obtained a certificate for their independence and eligibility for their appointment as Statutory Auditors and the same are within the limits as specified in section 141 of the Companies Act, 2013 and have also confirmed that they are not disqualified for re-appointment, a resolution seeking members' approval for re-appointment of Statutory Auditor forms part of the Notice convening the Annual General Meeting.

#### **(b) Cost Auditors and their Report**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has been carrying out audit of Cost Records

every year. The Board of Directors, on the recommendation of Audit Committee, has appointed M/s Yogesh Chourasia & Associates, Cost Accountants, Bhopal (ICWAI Firm Registration No. 000271), as Cost Auditors of the Company for conducting the Cost Audit of the Company for the Financial Year 2019-20. As required under the Companies Act, 2013, a resolution seeking members' approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting.

The Company has already filed the Cost Audit Report for the Financial Year 2017-18 with the Central Government. The Cost Audit Report for the Financial Year 2017-18 does not contain any qualification, reservation or adverse remark. The Company has obtained Cost Audit Report for the year 2018-19 and is in process to file the same with the Central Government.

#### **(c) Secretarial Auditors**

As per the provisions of Section 204 of the Companies Act, 2013, the Board has appointed M/s Piyush Bindal & Associates, Practicing Company Secretaries, Bhopal (C.P. No: 7442) as the Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial Year 2019-20.

Secretarial Audit Report for the Financial Year 2018-19 issued by M/s Piyush Bindal & Associates, Practicing Company Secretaries, Bhopal in Form MR-3 is annexed to the Board's Report as **Annexure 2** which is self-explanatory and do not call for any further explanation of the Board.

#### **(d) Internal Auditors**

As per the provisions of Section 138 of the Companies Act, 2013, the Board of Directors had appointed M/s Adalatwale and Bhagwat, Chartered Accountants, Bhopal (ICAI Firm Registration No. 008398C), as Internal Auditor to conduct internal audit of the Company for the Financial Year 2018-19.

The Internal Audit Report for the Financial Year 2018-19 issued by M/s Adalatwale and Bhagwat, Chartered Accountants, Bhopal is submitted to the Board which is self-explanatory and do not call for any further explanation of the Board.

Further, on the recommendation of audit committee, the Board of Directors of the Company has approved the appointment of aforesaid audit firm as internal auditors for the Financial Year 2019-20.

## Extract of the Annual return

The Extract of Annual Return is prepared in Form MGT-9 as per the provisions of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 and the same is annexed to the Board's Report as **Annexure 3**.

## Conservation of energy, technology absorption and foreign exchange earnings and outgo

The particulars as required to be furnished for the year 2018-19 are under:

Sr. No.	Particulars	Comments	
<b>(A)</b>	<b>Conservation of energy</b>		
(i)	the steps taken or impact on conservation of energy;	In view of the business activities, no substantial steps are required to be taken by the Company.	
(ii)	the steps taken by the Company for utilizing alternate sources of energy;	As above	
(iii)	the capital investment on energy conservation equipments	Nil	
<b>(B)</b>	<b>Technology absorption</b>		
(i)	the efforts made towards technology absorption	Not applicable as the traditional technology being used.	
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution;	Nil	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year :		
	(a) the details of technology imported	Nil	
	(b) the year of import	N.A.	
	(c) whether the technology been fully absorbed	N.A.	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N.A.	
(iv)	the expenditure incurred on Research and Development	Nil	
<b>(C)</b>	<b>Foreign exchange earnings and Outgo</b>	<b>Inflow</b>	<b>Out Flow (Rs. in Lakhs)</b>
	The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows	Nil	5396.67

## Human Resources Development

The Company has continuously adopted structures that help to attract best external talent and promote internal talent to higher roles and responsibilities. DBL's people centric focus providing an open work environment, fostering continuous improvement and development has helped several employees realize their career aspirations during the year.

The Company is committed to nurturing, enhancing and retaining its top talent through superior learning and organizational

development. This is a part of our Corporate HR function and a critical pillar to support the organization's growth and its sustainability in the long run.

Company's Health and Safety Policy commits to comply with applicable legal and other requirements connected with occupational Health, Safety and Environment matters and provide a healthy and safe work environment to all employees of the Company.

## Board of Directors and Key Managerial Personnel

### (a) Key Managerial Personnel

- Pursuant to the provisions of section 203 of the Companies Act, 2013 and the rules made thereunder, during the year following are the Key Managerial Personnel of the Company:

S. No	Name of Director	Designation	Date of Appointment	Date of Resignation	DIN/PAN
1	Mr. Dilip Suryavanshi	Chairman and Managing Director	12.06.2006	-	00039944
2	Mrs. Seema Suryavanshi	Whole-time Director	12.06.2006	-	00039946
3	Mr. Devendra Jain	Whole-time Director & CEO	01.04.2009	-	02374610
4	@Mr. Vaibhav Rawat	Chief Financial Officer	01.04.2014	15.05.2018	AFNPR3499G
5	# Mr. Raja Ghosh	Chief Financial Officer	29.05.2018	10.12.2018	AEAPG5583N
6	*Mr. Radhey Shyam Garg	Chief Financial Officer	10.12.2018	-	ACAPG0983A
7	Mr. Abhishek Shrivastava	Company Secretary & Compliance Officer	23.01.2015	-	AUXPS3081Q

@ Mr. Vaibhav Rawat has resigned from the post of Chief Financial Officer w.e.f. May 15, 2018.

# Mr. Raja Ghosh has resigned from the post of Chief Financial Officer w.e.f. December 10, 2018.

\* Mr. Radhey Shyam Garg (Vice President - Finance) has been appointed as Chief Financial Officer w.e.f. December 10, 2018 and designated as the Key Managerial Personnel of the Company and further designated as President & Chief Financial Officer w.e.f. June 01, 2019.

During the year under review, the following changes took place till the date of this Board Report:

After the resignation of Mr. Vaibhav Rawat, Chief Financial Officer of the Company, your company has appointed Mr. Raja Ghosh, General Manager – Accounts and Finance as Chief Financial Officer of the Company till the Company fill the vacancy separately. The Company has appointed Mr. Radhey Shyam Garg (Vice President - Finance) as Chief Financial Officer w.e.f. December 10, 2018 in place of Mr. Raja Ghosh and designated as the Key Managerial Personnel of the Company.

### (b) Directors seeking appointment/re-appointment

- In terms of the provisions of the Companies Act, 2013, Mrs. Seema Suryavanshi (DIN: 00039946) Whole-time Director of the Company retires by rotation and being eligible offers herself for re-appointment at the ensuing Annual General Meeting. The Board recommends her re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.
- During the year under review, in terms of the provisions of the Companies Act, 2013, the Company appointed Ms. Ratna Dharashree Vishwanathan (DIN: 07278291) as Additional Director under the category of an Independent Woman Director of the Company with effect from March 30, 2019 for a term of 5 years. In terms of Section 161 of the Companies Act, 2013, Ms. Ratna Dharashree Vishwanathan holds office upto the ensuing Annual General Meeting of the Company. Accordingly, the Board recommends the resolution in relation to the appointment of Ms. Ratna Dharashree Vishwanathan as an Independent Woman Director, for the approval by the shareholders of the Company.
- Ms. Ratna Dharashree Vishwanathan is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director (in the Category of an independent Woman Director). Further the Company has also received declaration from Ms. Ratna Dharashree Vishwanathan that she meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the SEBI (LODR) Regulations, 2015. She is proposed for the confirmation of her appointment as an Independent Director as stated in the notice of the AGM.
- Mr. Satish Chandra Pandey (DIN: 07072768) has been appointed as an independent Director by the

Shareholders of the Company at the Extra Ordinary General Meeting held on January 30, 2015 for a period of five (5) consecutive years from January 23, 2015 to January 22, 2020 ("first term"). Based on the performance evaluation and recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company considered his experience and contribution made by him during his tenure, the continued association of Mr. Satish Chandra Pandey would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, it is proposed to re-appoint Mr. Satish Chandra Pandey as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company w.e.f. January 23, 2020. He is proposed for the confirmation of his appointment for a second term as an Independent Director as stated in the notice of the AGM by special resolution. Mr. Satish Chandra Pandey has attained the age of 79 years in the financial year 2018- 2019 and in view of the SEBI (LODR) (Amendment) Regulations, 2018, as applicable w.e.f. 1st April 2019 and also as precaution, the Company seeks consent of the members by way of special resolution to appoint and continue to hold the office of an independent Director for his remaining tenure of his appointment of the Company after the age of 79 years .

In case of appointment/ re-appointment of Directors, the detail of respective Directors as stipulated under Regulation 36(3) of the Listing Regulations are included in the Notice of Annual General Meeting.

#### (c) Woman Director

Ms. Seema Suryavanshi (DIN:00039946) and Ms. Ratna Dharashree Vishwanathan (DIN: 07278291) are appointed as Woman Director and Independent Woman Director respectively on the Board as required under the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

#### (d) Independent Directors and Declaration by Independent Directors

The Company is having 7 (seven) Independent Directors which are in accordance with the requirement of the SEBI (LODR) Regulations, 2015 as well as under the Companies Act, 2013. The Company has received necessary declarations from all the seven Independent Directors

to the effect that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of SEBI (LODR) Regulations, 2015. In the opinion of the Board, they fulfil the conditions specified in the Act and the Rules made thereunder for the appointment as Independent Directors and are independent of the management.

The terms and conditions of appointment of the Independent Directors are placed on the website, [http://www.dilipbuildcon.com/wps/wcm/connect/666e51ee-e980-4abe-8407-f9c4d55b828f/Terms+and+condition+of+appointment+Independent+Director.pdf?MOD=AJPERES&CONVERT\\_TO=url&CACHEID=ROOTWORKSPACE-666e51ee-e980-4abe-8407-f9c4d55b828f-mDD7VnB](http://www.dilipbuildcon.com/wps/wcm/connect/666e51ee-e980-4abe-8407-f9c4d55b828f/Terms+and+condition+of+appointment+Independent+Director.pdf?MOD=AJPERES&CONVERT_TO=url&CACHEID=ROOTWORKSPACE-666e51ee-e980-4abe-8407-f9c4d55b828f-mDD7VnB)

#### (e) Programme for familiarization of Directors

The Company conducts familiarisation programme for all the directors at the time of their appointment and also at regular intervals to enlighten the directors regarding their roles, rights and responsibilities in the Company and the nature of the industry in which the Company operates, the business model of the Company etc. The details regarding the familiarization programme conducted during the year are put up on the website of the company and can be accessed at [http://www.dilipbuildcon.com/wps/wcm/connect/472e29ea-95f4-4054-86a3-b5921e36a1a6/DirectorsFamiliarization-2019.pdf?MOD=AJPERES&CONVERT\\_TO=url&CACHEID=ROOTWORKSPACE-472e29ea-95f4-4054-86a3-b5921e36a1a6-mFTgwCt](http://www.dilipbuildcon.com/wps/wcm/connect/472e29ea-95f4-4054-86a3-b5921e36a1a6/DirectorsFamiliarization-2019.pdf?MOD=AJPERES&CONVERT_TO=url&CACHEID=ROOTWORKSPACE-472e29ea-95f4-4054-86a3-b5921e36a1a6-mFTgwCt)

### Constitution of the Board of Directors and their Meetings

#### (a) Constitution of the Board

The composition of the Board is in conformity with Regulation 17 of the SEBI (LODR) Regulations, 2015 and Section 149 of the Companies Act, 2013. The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. As on March 31, 2019, the Company has 10 (ten) Directors. Out of the 10 (ten) Directors, 3 (three) are Executive Directors and 7 (seven) are Non-Executive- Independent Directors.

The Chairman of the Board Mr. Dilip Suryavanshi is the Promoter and Managing Director of the Company. The Members of the Board are highly qualified and having varied experience in their respective field and they assist the Board to discharge their functions from time to time.

## **(b) Meetings of the Board**

The Company prepares the schedule of the Board Meeting in advance to assist the Directors in scheduling their programme. The agenda of the meeting is circulated to the members of the Board well in advance along with necessary papers, reports, recommendations and supporting documents so that each Board member can actively participate on agenda items during the meeting.

The Board met 8 (Eight) times during the Financial Year 2018-19. The maximum interval between any two meetings did not exceed 120 days. Details regarding the attendance of Directors in the meetings of Board and the previous Annual General Meeting has been included in the Corporate Governance Report which is forming part of this Annual Report.

## **(c) Information available for the members of the Board**

The Board has complete access to any information within the Company. The Company has provided inter alia following information:

- Financial results of the Company, its Subsidiaries and Associates;
- Minutes of meetings of the Board, Committees, resolutions passed by circulations and minutes of the meetings of the Board of Subsidiary Companies;
- Periodic compliance reports which includes non-compliance, if any;
- Disclosures received from Directors;
- Related party transactions;
- Regular business updates;
- Report on action taken on last Board Meeting decisions;
- Various Policies of the Board;
- Code of Conduct for the members of the Board;
- Discussion with the Auditors and the audit committee members.

## **Governance codes**

### **(a) Code of Business Conduct & Ethics**

The Company has adopted Code of Conduct for Board of Directors and Senior Management ("the Code") which is applicable to the Board of Directors and all Employees of the Company. The Board of Directors and the members of Senior Management Team of the Company are required to affirm Compliance of this Code. The Code requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous

and respectful manner. The Code is displayed on the Company's website, <http://www.dilipbuildcon.com/wps/wcm/connect/1d9464eb-9501-42ad-a089-795eecf4e28b/Code+of+Conduct+Board+of+Directors.pdf?MOD=AJPERES&CACHEID=ROOTWORKSPACE-1d9464eb-9501-42ad-a089-795eecf4e28b-meHR6zB>

### **(b) Conflict of Interests**

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other Companies including Chairmanships and notify changes during the year. The Members of the Board while discharging their duties, avoid conflict of interest in the decision making process. The Members of Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

### **(c) Insider Trading Code**

The Company has adopted a Code of conduct for prevention of Insider Trading ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations). This Code is displayed on the Company's website, <http://dilipbuildcon.com/wps/wcm/connect/088c8e44-50d9-4791-b095-fa9ef0cbae21/Code+of+Conduct+Insider+Trading.pdf?MOD=AJPERES&CACHEID=ROOTWORKSPACE-088c8e44-50d9-4791-b095-fa9ef0cbae21-meHQnv4>

The code shall be applicable to all the Promoters, members of the promoter group, Designated Employees, Specified persons, immediate relatives, Legitimate and connected persons which includes (Fiduciaries and Intermediaries) of DBL and shall come into effect from the date of listing of Equity Shares of the Company on a stock exchange in India subsequent to an initial public offering of the Equity Shares of the Company. The Chief Financial Officer of the Company is the Compliance Officer for monitoring adherence to the said PIT Regulations.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with the PIT Regulations.

Further pursuant to the amendments in SEBI (PIT) Regulations, 2018, The Company has also formulated Policy for Procedure of Inquiry in case of Leak of Unpublished Price Sensitive Information and constituted an Enquiry Committee to take appropriate action on becoming aware of leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries.

The composition of Enquiry Committee for leak of Unpublished Price Sensitive information are as under :

Sr. No.	Name of Directors/ Officers	Designation
1	Mr. Dilip Suryavanshi	Member- Managing Director
2	Mr. Devendra Jain	Member-Chief Executive Officer
3	Mr. Radhey Shyam Garg	Member-Chief Financial Officer

No meeting was held during the financial year 2018-19 .

## COMMITTEES OF THE BOARD

The Board of Directors has constituted various mandatory and non-mandatory Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Committees are formed with approval of the Board and function under their respective Charters. These Committees play an important role in the overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee Meetings are placed before the Board for noting. The Board currently has the following Committees:

### Mandatory Committees

#### (a) Audit Committee

The Audit Committee was constituted by our Board in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015. The composition, quorum, terms of reference, functions, powers, roles and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the SEBI (LODR) Regulations, 2015. All the members of the committee are financially literate and Mr. Satish Chandra Pandey, Chairperson of the Committee is an Independent director and possesses financial expertise.

The members of the Committee, Meetings and Attendance during the financial year 2018-19 are as under:

S. No.	Name	Designation	Number of meetings attended
1.	Mr. Satish Chandra Pandey	Chairman - Independent Director	6 of 7
2.	Mr. Ashwini Verma	Member - Independent Director	7 of 7
3.	Mr. Aditya Vijay Singh	Member - Independent Director	5 of 7
4.	Mr. Amogh Kumar Gupta	Member - Independent Director	7 of 7
5.	Mr. Dilip Suryavanshi	Member - Managing Director	7 of 7
6.	Mr. Devendra Jain	Member - Whole-time Director	7 of 7

Mr. Abhishek Shrivastava, Company Secretary also acts as Secretary to the Committee.

The Audit Committee met 7 (Seven) times during the Financial Year 2018-19. The maximum gap between two Meetings was not more than 120 days. The Committee met on May 15, 2018; May 29, 2018; August 14, 2018; November 13, 2018; December 10, 2018 ; February 08, 2019 and March 30, 2019. The requisite quorum was present at all the Meetings. The Chairman of the Audit Committee was present at the 12<sup>th</sup> Annual General Meeting of the Company held in Financial Year 2018-19.

#### The terms of reference of Audit Committee inter-alia, includes the following:

- Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board, the appointment, remuneration and terms of appointment of the Statutory Auditor of the Company;
- Approving payments to Statutory Auditors for any other services rendered by Statutory Auditors;
- Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:

- (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  - (ii) Changes, if any, in accounting policies and practices and reasons for the same;
  - (iii) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (iv) Significant adjustments made in the financial statements arising out of audit findings;
  - (v) Compliance with listing and other legal requirements relating to financial statements;
  - (vi) Disclosure of any related party transactions;
  - (vii) Modified opinion(s) in the draft Audit Report.
- e) Reviewing, with the management, the quarterly, half-yearly and Annual Financial Statements before submission to the Board for approval;
  - f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (preferential issue, rights issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use or application of the funds raised through the proposed initial public offering by our Company;
  - g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  - h) Approving of any subsequent modification of transactions of the Company with related parties;
  - i) Scrutinizing inter-corporate loans and investments;
  - j) Valuing undertakings or assets of the Company, wherever it is necessary;
  - k) Evaluating internal financial controls and risk management systems;
  - l) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
  - m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n) Discussing with internal auditors any significant findings and follow up thereon;
  - o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  - p) Discussing with statutory auditors, internal auditors, secretarial auditors and cost auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - r) To review the functioning of the whistle blower mechanism;
  - s) Establishing a vigil mechanism policy for directors and employees to report their genuine concerns and grievances.
  - t) Approval of appointment of the CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate; and
  - u) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- The Audit Committee shall mandatorily review the following information:
- i. Management discussion and analysis of financial condition and result of operations;
  - ii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - iii. Management letters/ letters of internal control weaknesses issued by the Statutory Auditor;
  - iv. Internal audit reports relating to internal control weaknesses;
  - v. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee; and

vi. Statement of deviations:

- a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the Securities and Exchange Board of India (LODR) Regulations, 2015; and
- b) Annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of the Securities and Exchange Board of India (LODR) Regulations, 2015.

The powers of the Audit Committee shall include the following:

- i. To investigate any activity within its terms of reference;
- ii. To seek information from any employee;
- iii. To obtain outside legal or other professional advice; and
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

#### Details of establishment of vigil mechanism for directors and employees

The Company has in place the Vigil Mechanism Policy which aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. All permanent employees of the Company are covered under the Vigil Mechanism Policy.

A mechanism has been established for employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases [http://www.dilipbuildcon.com/wps/wcm/connect/ca817697-68c9-4d95-b8f0-9e07bb33db60/Amended+Vigil++Mechanism+Policy.pdf?MOD=AJPERES&CONVERT\\_TO=url&CACHEID=ROOTWORKSPACE-ca817697-68c9-4d95-b8f0-9e07bb33db60-m2LS7Q](http://www.dilipbuildcon.com/wps/wcm/connect/ca817697-68c9-4d95-b8f0-9e07bb33db60/Amended+Vigil++Mechanism+Policy.pdf?MOD=AJPERES&CONVERT_TO=url&CACHEID=ROOTWORKSPACE-ca817697-68c9-4d95-b8f0-9e07bb33db60-m2LS7Q)

#### (b) Corporate Social Responsibility (CSR) Committee

CSR is commitment of the Company to improve the quality of life of the community and society at large and an initiative to assess and take responsibility for the company's effects on environment and social wellbeing. The Company believes in undertaking business in such a way that it leads to overall development of all stakeholders and society.

CSR Committee consists of the following persons and met 2 (two) times during the Financial Year 2018-19 on May 30, 2018 and November 13, 2018. The requisite quorum was present at all the Meetings. The details of the same are as under:

S. No.	Name	Designation	Number of meetings attended
1.	Mr. Satish Chandra Pandey	Chairman-Independent Director	2 of 2
2.	Mr. Dilip Suryavanshi	Member-Managing Director	2 of 2
3.	Mr. Devendra Jain	Member-Whole-time Director & CEO	2 of 2
4.	Mr. Ashwini Verma	Member-Independent Director	2 of 2
5.	Mr. Amogh Kumar Gupta	Member-Independent Director	2 of 2

Mr. Abhishek Shrivastava, Company Secretary also acts as Secretary to the Committee.

CSR policy was adopted by the Board on the recommendation of CSR Committee. As per the Rule 9 of Companies (CSR Policy) Rules, 2014, the Corporate Social Responsibility Policy is available on the website of the Company, [http://www.dilipbuildcon.com/wps/wcm/connect/abc3afe3-7462-4b3a-974a-5b4276d5d060/CSR+Policy-13-11-2018.pdf?MOD=AJPERES&CONVERT\\_TO=url&CACHEID=ROOTWORKSPACE-abc3afe3-7462-4b3a-974a-5b4276d5d060-mDM-N7-](http://www.dilipbuildcon.com/wps/wcm/connect/abc3afe3-7462-4b3a-974a-5b4276d5d060/CSR+Policy-13-11-2018.pdf?MOD=AJPERES&CONVERT_TO=url&CACHEID=ROOTWORKSPACE-abc3afe3-7462-4b3a-974a-5b4276d5d060-mDM-N7-)

Report on Corporate Social Responsibility as per Rule 8 of Companies (Corporate Social Responsibility policy) Rules, 2014 is prepared and same is annexed to the Board's Report as Annexure 4.

The details of amount budgeted, spent and unspent along with the reasons for not spending the allocated amount are included in the said report.

#### (c) Stakeholder's Relationship Committee

Stakeholders' Relationship Committee has been constituted by the Board in accordance with Section 178 (5) of the Companies Act, 2013.

Stakeholders' Relationship Committee consists of the following persons and met 4 (Four) times during the Financial Year 2018-19 on May 15, 2018, August 13, 2018, November 13, 2018, and February 08, 2019. The requisite quorum was present at all the Meetings. The details of the same are as under:

S. No.	Name	Designation	Number of meetings attended
1.	Mr. Satish Chandra Pandey	Chairman-Independent Director	4 of 4
2.	Mr. Dilip Suryavanshi	Member-Managing Director	4 of 4
3.	Mr. Devendra Jain	Member-Whole-time Director & CEO	4 of 4
4.	Mr. Ashwini Verma	Member-Independent Director	4 of 4
5.	Mr. Amogh Kumar Gupta	Member-Independent Director	4 of 4

Mr. Abhishek Shrivastava, Company Secretary also acts as Secretary to the Committee.

**The terms of reference of the Stakeholders' Relationship Committee of the Company include the following:**

- Consider and resolve grievances of the security holders of the Company, including complaints related to the transfer of shares, non-receipt of Annual Report and non-receipt of declared dividends; and
- Carrying out any other function as prescribed under the SEBI (LODR) Regulations, 2015.

#### STATUS OF INVESTOR COMPLAINTS FOR THE FINANCIAL YEAR 2018-19

There were total 11 complaints received during the year and were attended and resolved by the Company. Therefore, no complaints were pending as at March 31, 2019. Details are as under :

Particulars	Pending as on March 31, 2018	Financial Year 2018-19		Pending as on March 31, 2019
		Received	Redressed	
Shareholder Complaints	NIL	11	11	Nil

#### (d) Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been constituted by the Board in accordance with the provision of section 178 of Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015.

The Nomination and Remuneration Committee consist of the following persons and all the members of the committee are Independent Directors. The Committee met 4 (Four) times during the Financial Year 2018-19 on May 29, 2018, August 13, 2018, December 10, 2018 and March 30, 2019. The requisite quorum was present at all the Meetings. The Chairman of the Nomination and Remuneration Committee was present at the 12<sup>th</sup> Annual General Meeting of the Company held in the Financial Year 2018-19. The Details of the same are as under:

S. No.	Name	Designation	Number of meetings attended
1.	Mr. Satish Chandra Pandey	Chairman – Independent Director	4 of 4
2.	Mr. Ashwini Verma	Member – Independent Director	4 of 4
3.	Mr. Amogh Kumar Gupta	Member – Independent Director	4 of 4

Mr. Abhishek Shrivastava, Company Secretary acts as Secretary to the Committee.

During the year, the Committee approved and recommended a revised Nomination and Remuneration policy to the Board, Pursuant to the amendments in the SEBI (LODR) Regulations, 2015 (Regulations), which was adopted and effective from April 01, 2019. The Policy is available on our website, at [http://www.dilipbuildcon.com/wps/wcm/connect/98fcb883-de4d-47a7-8171-d580e14ed629/Nomination+and+Remuneration+Policy.pdf?MOD=AJPERES&CONVERT\\_TO=url&CACHEID=ROOTWORKSPACE-98fcb883-de4d-47a7-8171-d580e14ed629-mDD5pTX](http://www.dilipbuildcon.com/wps/wcm/connect/98fcb883-de4d-47a7-8171-d580e14ed629/Nomination+and+Remuneration+Policy.pdf?MOD=AJPERES&CONVERT_TO=url&CACHEID=ROOTWORKSPACE-98fcb883-de4d-47a7-8171-d580e14ed629-mDD5pTX).

#### Brief description of terms of reference:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of performance of independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal and evaluation of Director's performance;

- Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Carrying out any other function as prescribed under the SEBI Listing Regulations;
- recommend to the board, all remuneration, in whatever form, payable to senior management ; and
- Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

#### **Mechanism for Evaluation of Board, Committees, Chairman and Individual Directors**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

As per Section 134(3) read with Rule 8(4) of the Companies (Accounts) Rules, 2014, the evaluation is done by the Independent Directors of the Board for the performance of the executive directors with specific focus on the performance and effective functioning of the Board and Individual Directors and for the aforesaid purpose, Independent Directors of the Company have conducted their separate meeting on August 05, 2019. The Board of Directors expressed their satisfaction with the evaluation process.

#### **Criteria for evaluation of Board as a whole**

- Board Composition & Quality
- Board Meetings
- Committees
- Core Governance & Compliance
- Risk Management

#### **Criteria for evaluation of Committee**

- Structure of committee
- Appropriateness of delegation of responsibilities by the Board to its committee
- Composition of the committees
- The meetings are conducted in a manner that ensures open communication and meaningful participation
- The amount of information received is appropriate for discussion and decision making purposes

- The reporting by each of the Committees to the Board is sufficient
- Committees takes effective and proactive measures to perform its functions
- The frequency of the Committee meetings is adequate

#### **Criteria for evaluation of Chairman**

- Leadership
- Managing Relationships

#### **Criteria for evaluation of the Executive Directors**

- Strategy Formulation & Execution
- Board Meetings
- Interpersonal Skills
- Leadership
- Diligence
- Knowledge & Expertise

#### **Criteria for evaluation of the Independent Directors**

- Knowledge & Expertise
- Participation in Board Meetings
- Interpersonal Skills
- Professional Conduct & Independence
- Diligence
- Roles & Responsibilities
- Disclosure & Reporting

#### **Company's policy on remuneration of Directors, KMPs and other employees**

The Policy of the Company on remuneration of Directors, KMPs and other employees including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178, is annexed to the Board's Report as Annexure 5.

#### **(e) Group Governance Committee**

The Group Governance Committee has been constituted on December 10, 2018 by the Board to authorize the committee to evaluate the Corporate Governance of unlisted subsidiaries of the Company with the composition of three independent directors.

Group Governance Committee consists of following persons and met 1 (One) time during the Financial Year 2018-19 on March 30, 2019. The requisite quorum was present at the Meeting. The details of the same are as under :

S. No.	Name	Designation	Number of meetings attended
1.	Mr. Satish Chandra Pandey	Chairman-Independent Director	1 of 1
2.	Mr. Ashwini Verma	Member-Independent Director	1 of 1
3.	Mr. Amogh Kumar Gupta	Member-Independent Director	1 of 1

Mr. Abhishek Shrivastava, Company Secretary acts as Secretary to the Committee.

**Brief description of terms of reference:**

- To formulate a strong and effective group governance policy;
- Establish a Framework for evaluation of the Corporate Governance of the unlisted Subsidiaries of the Company;
- Oversee & evaluate the performance and Corporate Governance practices of the unlisted Subsidiaries of the Company;
- Report any deviation to the Board;
- To ensure mandatory disclosures are made to the concerned authorities by the Subsidiaries Companies;
- To ensure that composition of Board of Directors and Committees of subsidiaries are commensurate with the Companies Act, 2013
- To ensure role of the Board and Committees of subsidiaries are clearly defined and they meet at suitable intervals.
- To monitor Subsidiary's Board effectiveness and its roles;
- To recommend such governance practices as may be deemed fit to the unlisted subsidiaries upon getting approval of the Board on the same;
- driving consistency in respect of governance and regulatory conduct matters across the Group;
- overseeing compliance with the corporate governance principles, culture and ethical values of the Group in line

with the Group's strategic priorities, including the provision of approvals where required;

- To assist in the compliance of regulatory requirements as may be necessary for various authorities viz. Registrar of Companies, Ministry of Corporate Affairs, NHAI, MPRDC, MHRDC, other Central, State and Semi Government organisations, Banks, Tax Authorities etc.;
- To review the operational and financial performance of the Subsidiaries and if necessary, advise for the betterment.

**Non Mandatory Committee constituted by the Board of Directors of the Company for smooth operation of the Business**

**(a) Risk Management**

Non mandatory Committee for the financial year 2018-19

The Risk Management Committee has been constituted by the Board in accordance with Regulation 21 of SEBI (LODR) Regulations, 2015. All the members of the committee are Directors of the Company.

The Risk Management Committee consists of following members and met 2 (Two) time during the Financial Year 2018-19 on August 13, 2018 and March 30, 2019. The requisite quorum was present at all the Meetings. The details of the same are as under:

S. No.	Name	Designation	Number of meetings attended
1.	Mr. Dilip Suryavanshi	Chairman-Managing Director	2 of 2
2	Mr. Devendra Jain	Member- Whole-time Director & CEO	2 of 2
3.	Mr. Ashwini Verma	Member-Independent Director	2 of 2
4.	Mr. Amogh Kumar Gupta	Member-Independent Director	2 of 2

Mr. Abhishek Shrivastava, Company Secretary acts as Secretary to the Committee.

**Terms of reference of the Risk Management Committee are as under:**

- Laying down risk assessment plan, minimisation procedures and informing the Board of the same;
- Framing, implementing, reviewing and monitoring the risk management plan for the Company; and

3. Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under the SEBI (LODR) Regulations, 2015.

The Committee has formulated a Risk Assessment and Management Policy to create and protect shareholders' value by minimizing threats or losses and identifying and maximizing opportunities. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board. The Company has adequate internal control systems and procedures to combat the risk.

#### (b) Borrowing Committee

The Board constituted the Borrowing Committee to negotiate, finalise and approve the proposals for borrowings from various Banks, Financial Institutions and the Finance Companies. The members of the Committee are as under:

S. No	Name of members	Designation	Number of meetings attended
1	Mr. Dilip Suryavanshi	Chairman - Managing Director	26 of 26
2	Mrs. Seema Suryavanshi	Member-Whole-time Director	26 of 26
3	Mr. Karan Suryavanshi	Member	26 of 26
4	Mr. Bharat Singh	Member	26 of 26
5	Mr. Kundan Kumar Das	Member	26 of 26
6	Mr. Pradeep Suryavanshi	Member	26 of 26

Mr. Abhishek Shrivastava, Company Secretary acts as Secretary to the Committee.

And the Committee met 26 (Twenty six) times during the Financial Year 2018-19 on April 10, 2018; April 23, 2018; May 14, 2018; May 22, 2018; May 30, 2018; June 23, 2018; July 02, 2018; July 26, 2018; August 11, 2018; August 27, 2018; August 28, 2018; September 18, 2018; September 26, 2018; October 06, 2018; October 16, 2018; October 30, 2018; November 15, 2018; December 31, 2018; January 14, 2019; January 28, 2019; February 05, 2019; February 14, 2019; February 19, 2019; February 27, 2019; March 18, 2019 and March 27, 2019. The requisite quorum was present at all the Meetings.

#### The terms of reference of the Borrowing Committee of the Company includes the following:

1. To negotiate, finalise and approve the proposals for borrowings, Bank Guarantees including lease facility for procurement of assets on lease basis from various Banks,

Financial Institution and the Finance Companies and the terms and conditions of such borrowings, Bank Guarantees and lease facility, provided that the said committee shall not approve the proposals for borrowings, Bank Guarantees and lease facility exceeding Rs. 13,000 Crores (Rupees Thirteen Thousand Crores only) at any point of time.

2. To appoint any one or more official(s) of the company as Authorized Signatory(ies) to execute and sign all the agreements, security documents and other necessary documents including any amendment to the executed documents with the concerned Bank or Financial Institution or Finance Companies as may be required by them in their prescribed format or otherwise and to perform all other acts, deeds for and on behalf of the Company as may be required to avail the facility; and
3. the Board do hereby agree to review/confirm/ratify all the business transacted or approved by the Committee from time to time and a copy of the minute book of the committee be placed before the Board at the subsequent Board meeting to consider and take on record the same.

#### (c) Business Development and Administration Committee

The Board constituted the Business Development and Administration Committee to take decisions regarding the day to day business operations of the Company. The members of the Committee are as under:

S. No	Name of Members	Designation	Number of meetings attended
1	Mr. Dilip Suryavanshi,	Chairman- Managing Director	30 of 30
2	Mrs. Seema Suryavanshi	Member-Whole-time Director	30 of 30
3	Mr. Devendra Jain	Member -Whole-time Director & CEO	30 of 30
4	Mr. Kundan K. Das	Member-AGM Business Development	30 of 30

Mr. Abhishek Shrivastava, Company Secretary acts as Secretary to the Committee.

The Committee met 30 (Thirty) times during the Financial Year 2018-19 on April 05, 2018; April 10, 2018; April 18, 2018; May 02, 2018; May 05, 2018; May 16, 2018; May 30, 2018; June 16, 2018; June 25, 2018; July 13, 2018; July 18, 2018; August 03, 2018; August 06, 2018; August 20, 2018; August 29, 2018; September 04, 2018; September 20, 2018; September 26, 2018; October 09, 2018; October 12,

2018; October 30, 2018; November 14, 2018; November 30, 2018; December 15, 2018; December 26, 2018; January 05, 2019; January 28, 2019; February 28, 2019; March 16, 2019 and March 27, 2019. The requisite quorum was present at all the Meetings.

**The terms of reference of the Business Development and Administration Committee of the Company inter alia includes the following:-**

1. To approve, finalise the terms and conditions of the proposals/projects/bid application, Joint Venture Agreement, and other documents and writings as may be required for processing and finalizing the applications for making bids for the projects;
2. To authorize any officer of the company, consultant, agent, authorized official of joint venture partner of the company or any other person to sign and submit all applications, bids, Agreements, and other documents and writings and to participate in Pre-applications and other conference and to provide information to the Authority, to sign and execute all contracts including the Concession Agreement and undertaking consequent to acceptance of above mentioned bid;
3. To approve and provide any of the undertakings, resolutions and other related documents in respect of the projects awarded to the Company and authorize any person to sign and submit the same with the concerned authorities;
4. Approval of any other matter that is deemed necessary in respect of execution of any project and to carry out and to do all such acts, deeds and things required in connection therewith;
5. To approve and transact routine administrative matters;
6. To review the operations of the Company in general;
7. To authorize opening and closing of bank accounts or any other banking requirement;
8. To authorize additions/deletions to the signatories pertaining to banking transactions which includes letter of credit facility, Bill Discounting, Line of Credit;
9. To approve donations as per the policy approved by the Board; if any,
10. To delegate authority to the Company's official(s) to represent the Company at various courts, government authorities and so on for the following matters:
  - a) To demand, receive, recover, accept, exercise or utilize any claim, things, right, or any object to which the Company is entitled and/or to deposit, make and give receipts, dues. To take and/or deliver the possession of Project's 'Right of Way/Site' and lease hold property/assets for and on behalf of Company.
  - b) To appear, represent, depose and record statement, make and move application for and on behalf of the company and authorized to make sign, execute, verify and register various applications, papers, documents, statements, on company's behalf and authority to deposit amount incidental thereto and as may be required to submit before any lawful authority, Central and State Government Department (individually "Authority" and collectively Authorities") and any Agency.
  - c) Any other agreements, joint memorandum, containing inventory of site, documents, or instruments that are require to be entered with any or all "Authority" and to do all incidental acts things and deeds of whatsoever nature in relation to the project Activity (ies).
  - d) Authority to collect and/or submit documents or produce/ receive the documentary evidence, measurement book, bill payment and/or to receive from any Government Departments, Authority Agency having authority in relation to the projects of the Company.
  - e) To do all such other acts, matters and things necessary filing for contractual obligations on behalf of Company and to safeguard the legal interest of the company in any manner whatsoever including reference(s) of dispute to authority and/or Arbitration in relation to any projects.
  - f) To appear, act and depose on behalf of the company before any High Court or before any Commission, Tribunal Police Authorities or any other forum having jurisdiction.
  - g) To make, sign, execute, verify and register various pleadings, applications, Counter/Rejoinder Affidavits, papers, documents, appeal, revision, writ petitions, written statements, reply, complaints, affidavit etc. before the authorities.
  - h) To file or cause to be filed; any civil suit for recovery of monies due to the company or for any other relief or file/withdraw/settle/compromise the appropriate civil actions under appropriate provisions of the relevant laws.
  - i) To sign the Vakalatnama authorizing the counsel to initiate and maintain all such legal proceeding and make statement and be present before the authorities on behalf of the company as and when required .

- j) To provide necessary documents required in the court of law.
- k) To review and follow up on the action taken on the Committees decisions.
- l) To review, propose and monitor annual budget if any, subject to the ratification of the Board.
- m) To attend to any other responsibility as may be entrusted by the Board within the terms of reference.

#### (d) Lending & Investment Committee

The Board constituted Lending & Investment Committee to delegate its power to invest the funds of the Company; and to grant loans, provide guarantee and security. The Members of the Committee are as under:

S. No.	Name of Members	Designation	Number of meetings attended
1	Mr. Dilip Suryavanshi	Chairman- Managing Director	4 of 4
2	Mr. Devendra Jain	Member-Whole-time Director & CEO	4 of 4
3.	Mr. Satish Chandra Pandey	Member-Independent Director	4 of 4
4	Mr. Amogh Kumar Gupta	Member-Independent Director	4 of 4

Mr. Abhishek Shrivastava, Company Secretary acts as Secretary to the Committee.

The Committee met 4 (Four) times during the Financial Year 2018-19 on April 2, 2018, June 18, 2018, June 25, 2018, August 11, 2018. The requisite quorum was present at all the Meetings.

**The terms of reference of the Committee includes the authority under section 179(3) read with the section 185, 188 and the provisions of the SEBI (LODR) Regulations, 2015 as may be applicable to the Company from time to time and are as follows:-**

- 1. To make investment and acquire by way of subscription, purchase or otherwise securities of any other body corporate, provided that the total amount of such

investments to a particular body corporate shall not exceed Rs. 150 Crores at any time intervening between two Board meetings of the Company, subject to the maximum limits as may be available to the Company u/s 186 of the Companies Act, 2013 or such resolutions passed by the Company in the general meeting wherever applicable.

- 2. To give any loan, guarantee, security, indemnity to any person or other body corporate, including the subsidiary and associate concerns or otherwise as the case may be provided that such loan to each person or body corporate shall not exceed Rs. 150 Crores at any time intervening between two Board meetings of the Company.
- 3. To consider and decide the requirement for incorporation of a new subsidiary company and authority to make such initial contribution in the share capital and further investment in such new company and to nominate the signatory and directors for and on behalf of the Company.
- 4. To consider and decide the requirement for acquiring any shares of any body corporate or becoming partner in any of the Joint venture/LLP/Partnership firm and to nominate for appointment of the authorized representative, to give authority for the Banking operation and to give authority for any project on behalf the Company.

#### (e) Business Responsibility Committee

The Business Responsibility Committee had been constituted to authorize the committee to establish a Mechanism for Business Responsibility, oversee its implementation, to make any changes / modifications, as may be required, from time to time and to review and recommend the Business Responsibility Reports (BRR) to the Board for its approval. The Members of the Committee are as under:

S. No.	Name of Members	Designation
1.	Mr. Satish Chandra Pandey	Chairman-Independent Director
2.	Mr. Aditya Vijay Singh	Member-Independent Director
3.	Mr. Bharat Singh	Member
4.	Mr. Raja Ghosh	Member

Mr. Abhishek Shrivastava, Company Secretary acts as Secretary to the Committee.

No Committee meeting was held during the Financial Year 2018-19.

**The terms of reference of the Business Responsibility Committee of the Company inter alia includes the following:-**

- i. Establish a Framework for Business Responsibility;
- ii. Oversee the implementation of the framework for Business Responsibility and to make any changes / modifications, as may be required, from time to time;
- iii. Report any deviation to the Board;
- iv. To review and recommend the Business Responsibility Reports (BRR) to the Board for its approval; and
- v. Establish a grievance redressal system for Business Responsibility.

**(f) Enquiry Committee for leak of Unpublished Price Sensitive Information**

Pursuant to the amendments in SEBI (PIT) Regulations, 2018, the Company has also formulated Policy for Procedure of Inquiry in case of Leak of Unpublished Price Sensitive Information and constituted an Enquiry Committee to take appropriate action on becoming aware of leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries.

The composition of Enquiry Committee for leak of Unpublished Price Sensitive Information are as under :

S. No.	Name of Directors/ Officers	Designation
1	Mr. Dilip Suryavanshi	Member- Managing Director
2	Mr. Devendra Jain	Member- Whole-time Director & CEO
3	Mr. Radhey Shyam Garg	Member-Chief Financial Officer

No meeting was held during the financial year 2018-19 .

**Particulars of contracts or arrangements with related parties referred to Section 188(1):**

All transactions entered with Related Parties for the year under review were entered on arm's length basis and in the ordinary course of business and that the provisions of Section 188(1) of the Companies Act, 2013 and the Rules made thereunder were not attracted.

The particulars of contracts or arrangements with related parties referred to in Section 188(1) is prepared in Form AOC-2 pursuant to Section 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 and the same is annexed to the Board's Report as **Annexure 6**.

All Related Party Transactions are placed before the Audit Committee and the Board for approval. The Company has a process in place to periodically review and monitor Related Party Transactions. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature. All the related party transactions were in the ordinary course of business and at arm's length.

The Audit Committee and the Board have approved the Related Party Transactions Policy and the same has been placed on the Company's website, [http://dilipbuildcon.com/wps/wcm/connect/82561153-b3e3-4943-b574-fa6bad71e3d2/Policy+of+Related+Party+Transactions.pdf?MOD=AJPERES&CONVERT\\_TO=url&CACHEID=ROOTWORKSPACE-82561153-b3e3-4943-b574-fa6bad71e3d2-m0w-iCq](http://dilipbuildcon.com/wps/wcm/connect/82561153-b3e3-4943-b574-fa6bad71e3d2/Policy+of+Related+Party+Transactions.pdf?MOD=AJPERES&CONVERT_TO=url&CACHEID=ROOTWORKSPACE-82561153-b3e3-4943-b574-fa6bad71e3d2-m0w-iCq)

**Related Party Disclosures**

Disclosures of Loans and advances in the nature of loans to Subsidiaries/Associates/others by name and amount at the year end and the maximum amount of loans outstanding during the year has been disclosed in Note 4 and 28 to the Standalone Financial Statements. The said disclosures are also given in the Financial Statements of Subsidiary/ Associate Companies.

**Particulars of employees**

Disclosures under section 197(12) of the Companies Act, 2013 read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 respectively, is annexed to the Board's report as **Annexure 7**

**Directors' Responsibility Statement**

Pursuant to the requirement under clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, the Directors confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had 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 company at the end of the Financial Year and of the profit of the company for that period;

- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the directors had prepared the annual accounts for the Financial Year ended March 31, 2019 on a going concern basis;
- e) that the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **Internal Control System and their Adequacy**

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal and operational audit is entrusted to M/s Adalatwale and Bhagwat, a reputed firm of Chartered Accountants. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

To maintain its objectivity and independence, the Internal Auditor periodically reports the Function of Internal Control System to the Chairman of the Audit Committee.

#### **Risk management**

Risk Management is embedded in your Company's operating framework. Pro-active Risk Management has been identified as a key strategic initiative to ensure sustainable growth. Risk Management is an integral part of the overall governance process to identify, segregate, mitigate, control and monitor various risks at business, prospect and operational levels. Some of the risks that may arise to the Company are explained here:

#### **(a) Financial risks**

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company is focused on maintaining a strong equity base to ensure independence, security, as well as financial flexibility for potential future borrowings, if required, without impacting the risk profile of the Company.

Company's principal financial liabilities, comprise borrowings from banks, trade payables and security deposits. The main purpose of these financial liabilities is to finance Company's operations (short term). Company's principal financial assets include investments, security deposit, trade and other receivables, deposits with banks and cash and cash equivalents, that derive directly from its operations.

Company is exposed to market risk, credit risk and liquidity risk.

#### **(b) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings, trade and other payables, security deposit, trade and other receivables, deposits with banks etc.

The sensitivity analysis in the following sections relate to the position as at 31st March 2018 and 31st March 2017. The sensitivity of the relevant income statement item is the effect of the assumed changes in respective market risks. The sensitivity analysis have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt are constant at 31st March 2019.

The analysis exclude the impact of movements in market variables on the carrying values of gratuity, other post retirement obligations and provisions.

Company's activities exposed to interest rate risk.

#### **(c) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of

changes in market interest rates. The Company dynamically manages interest rate risks through a mix of fund-raising products and investment products across maturity profiles and currencies within a robust risk management framework.

**(d) Credit Risk**

Credit risk on trade receivables and unbilled work-in-progress is limited as the customers of the Company mainly consists of the government promoted entities having a strong credit worthiness. For other customers, the Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled work-in-progress. The provision matrix takes into account available external and internal credit risk factors such as credit ratings from credit rating agencies, financial condition, ageing of accounts receivable and the Company's historical experience for customers.

**(e) Liquidity Risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash flow and collateral obligations without incurring unacceptable losses. The Company constantly monitors the liquidity levels, economic and capital market conditions and maintains access to the lowest cost means of sourcing liquidity through banking lines, trade finance and capital markets.

**(f) Regulatory risks**

The Company is exposed to risks attached to various statutes, laws and regulations. The Company is mitigating these risks through regular review of legal compliances carried out through internal control and audits.

**(g) Human resource risks**

Retaining the existing talent pool and attracting new talent are major risks. The Company has initiated various measures including training and integration of learning and development activities. The Company has formulated various schemes in the interest of the employees i.e. DBL Employees Voluntary Benevolent Fund Scheme, Camp & Accommodation with various modern amenities, Free Child Education Policy for Drivers & Operators, One Lakh Gift Policy for Daughters marriage of Drivers/ Operators, Best Drivers & Machine Operator Award.

**(h) Commodity Price risks**

The company is exposed to the risk of price fluctuations of Raw materials required for their road projects such as Bitumen, Cement, Steel (Iron & Steel), Crushed Stone, etc. The company proactively manages these risks through forward booking, inventory management and proactive vendor development practices. The risk of price fluctuations in commodities is also mitigated to certain extent based on the price escalation clause included in the contracts with the customers.

**Environment and Safety**

The Company is conscious of the importance of clean environment and safe operations. The Company's policy requires conduct of operations in such manner so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

**Internal Complaints Committee (ICC) and other disclosures under the Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the Financial Year ended March 31, 2019, the Company has not received any Complaints pertaining to Sexual Harassment.

**Cautionary Statement**

Statements in this Board's Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principle markets, changes in Government regulations, Tax regimes, economic developments in the Country and other ancillary factors.

## Acknowledgements

The Company is grateful to its customers, shareholders, suppliers, financial institutions, bankers, Central and State Governments for their constant support to the Company. The Directors also place on record their deep appreciation of the contribution made by employees at all levels, the consistent growth of the Company was made possible by their hard work, loyalty, dedication, co-ordination and support.

### For and on behalf of the Board of Directors of Dilip Buildcon Limited

#### Dilip Suryavanshi

Chairman & Managing Director

DIN : 00039944

#### Devendra Jain

Whole -time Director & CEO

DIN : 02374610

Place: Bhopal

Date: August 05, 2019

## GENERAL SHAREHOLDERS' INFORMATION

### Disclosures regarding the Board of Directors

As per the provisions of the Companies Act, 2013 and Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standard-2, the detailed profile of the Directors who are seeking appointment/ re-appointment/variation in the terms of remuneration at the ensuing Annual General Meeting of the Company is given under the Explanatory Statement to the Notice which is forming part of the Annual Report of the Company.

### Annual General Meetings

The date, time and venue of Annual General Meetings held during last three years and the special resolution(s) passed there at, are as follows:

AGM	Financial Year	Date and Time	Venue	Details of Special Resolution Passed
10 <sup>th</sup>	2015-16	June 29, 2016 at 2.00 P.M.	Plot No.5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal - 462016, Madhya Pradesh	<ol style="list-style-type: none"> <li>1. Authority to the Board of Directors of the Company to borrow money in excess of the paid-up capital and free reserves of the Company.</li> <li>2. Authority to Board of Directors for creation of mortgage/ charge on all or any of the movable or immovable properties of the Company.</li> </ol>
11 <sup>th</sup>	2016-17	September 11, 2017 at 11:00 A.M.	Kwality's Motel Shiraz, Service Road, Board Office Square, Shivaji Nagar, Bhopal - 462011 Madhya Pradesh	<ol style="list-style-type: none"> <li>1. Revision in the remuneration of Mr. Dilip Suryavanshi, Chairman and Managing Director of the Company for a remaining tenure.</li> <li>2. Revision in the remuneration of Mrs. Seema Suryavanshi, Whole-time Director of the Company for a remaining tenure.</li> <li>3. Revision in the remuneration of Mr. Devendra Jain, Whole-time Director and CEO of the Company for a remaining tenure.</li> <li>4. Authorise Board of Directors of the Company to borrow money in excess of the Paid –Up Capital and Free Reserves of the Company.</li> <li>5. Issuance of Non-Convertible Debentures on Private Placement basis.</li> <li>6. Issuance of Commercial Paper on Private Placement basis.</li> <li>7. To approve the place of keeping the Register and Index of members and other related registers other than at the registered office of the Company under Section 94 of Companies Act, 2013.</li> <li>8. To approve the place of keeping the Registers and Index of Debenture Holder other than the registered office of the Company under Section 94 of Companies Act, 2013.</li> </ol>
12 <sup>th</sup>	2017-18	September 28, 2018 at 11.00 a.m.	Kwality's Motel Shiraz, Service Road, Board Office Square, Shivaji Nagar, Bhopal - 462011, Madhya Pradesh	<ol style="list-style-type: none"> <li>1. Re-appointment of Mr. Aditya Vijay Singh (DIN: 03585519) as Director in the category of an Independent Director of the Company for second consecutive term of five years and will continue after attaining the age of 75 years.</li> <li>2. Re-appointment of Mr. Ashwini Verma (DIN: 06939756) as Director in the category of an Independent Director of the Company, for second consecutive term of five years.</li> </ol>

AGM	Financial Year	Date and Time	Venue	Details of Special Resolution Passed
				3. Re-appointment of Mr. Amogh Kumar Gupta (DIN: 06941839), as Director in the category of an Independent Director of the Company for second consecutive term of five years.
				4. Approval for the continuation of Mr. Satish Chandra Pandey (DIN : 07072768) holding the office of Director in the category of an independent Director for his remaining tenure who has attained the age of 78 years.
				5. Re-appointment of Mr. Dilip Suryavanshi (DIN: 00039944) for a further period of three years as the Chairman and Managing Director of the Company.
				6. Re-appointment of Mrs. Seema Suryavanshi, (DIN: 00039946) as Whole-time Director of the Company for a further period of three years.
				7. Re-appointment of Mr. Devendra Jain, (DIN: 02374610) as Whole-time Director of the Company for a further period of three years.
				8. To authorise the Board of Directors of the Company to enhance the limit for creation of Mortgage/Charge on all or any of the movable or immovable properties of the Company upto the limit of Rs. 13,000 Crores.
				9. To authorise Board of Directors of the Company to borrow money in excess of the Paid-up capital and Free Reserves of the Company upto the limit of Rs. 13,000 Crores.
				10. Issuance of Non-Convertible Debentures on Private Placement basis.
				11. Issuance of Commercial Paper on Private Placement basis.
				12. To approve Default Conversion of Loan into Equity.
				13. To authorise the Board of Directors to provide loan/guarantee/ make investment/security to the Subsidiaries Companies/ Associate Companies/Private Companies under section 185 of Companies Act, 2013.
				14. To approve issue of further shares to meet out the Minimum Public Shareholding of the Company.

#### Resolution(s) passed through Postal Ballot:

The Company had sought the approval of the shareholders by way of special resolutions through notice of Postal Ballot dated November 14, 2018 along with the Postal Ballot Form which was sent in electronic form to the members whose e-mail addresses were registered with the Company/respective Depository Participants. In case of physical shareholding/e-mail address were not registered with the Company/respective Depository Participants, copies of the Postal Ballot Notice along with Postal Ballot Form was sent in physical, by permitted mode along with self-addressed postage pre-paid Business Reply Envelope.

The Company had published a notice in the newspaper on Friday, October 12, 2018 in Business Standard, Bhopal (in English and Hindi Newspaper) in compliance with the provisions of the Companies Act, 2013 and Secretarial Standard - 2.

The voting through postal ballot and electronic mode commence from Thursday, October 11, 2018 (9.00 a.m. IST) to Friday, November 9, 2018 (5.00 p.m. IST). The voting rights of members were reckoned on the paid-up value of shares registered in the name of member/beneficial owner (in case of electronic shareholding) as on Thursday, October 4, 2018.

The Board had appointed CS Piyush Bindal, a Practicing Company Secretary, Proprietor of M/s Piyush Bindal & Associates, Company Secretaries, Bhopal as the Scrutiniser to conduct the postal ballot process in a fair and transparent manner and had engaged the services of National Securities Depository Limited ("NDSL") as the agency for the purpose of providing e-voting facility.

CS Piyush Bindal, Scrutiniser, had submitted his report on the Postal Ballot to the Chairman on Wednesday, November 14, 2018. The resolutions were passed on Wednesday, November 14, 2018.

The details of the voting pattern are given below:

<b>Resolutions passed through Postal Ballot</b>	<b>Votes in favour of the resolution (%)</b>	<b>Votes against the resolution (%)</b>
Altered main object clause of Memorandum of Association of the Company to start new business activity.	99.9934	0.0066

#### **Details of special resolution proposed to be conducted through postal ballot:**

None of the business proposed to be transacted at the ensuing Annual General Meeting which requires passing of a special resolution through Postal Ballot.

#### **ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR 2018-19**

Day and Date	Tuesday, September 17, 2019
Time	11.00 a.m.
Venue	Kwality's Motel Shiraz, Service Road, Board Office Square, Shivaji Nagar, Bhopal - 462011, Madhya Pradesh
Financial Year	April 1, 2018 to March 31, 2019.
Book closure dates for dividend	Wednesday, September 11, 2019 to Tuesday, September 17, 2019 (both days inclusive)
Payment of Dividend	Between September 17, 2019 to October 16, 2019
Last date of receipt of proxy forms	Sunday, September 15, 2019 at 11.00 a.m.

#### **CALENDAR FOR FINANCIAL YEAR ENDING MARCH 31, 2020:**

Annual Results of 2018-19	May 10, 2019
Mailing of Annual Reports	4 <sup>th</sup> week of August, 2019
First Quarter Results	During the 1 <sup>st</sup> week of August 2019*
Second Quarter results	During the 2 <sup>nd</sup> week of November 2019*
Third Quarter results	During the 1 <sup>st</sup> week of February 2020*

\* Tentative

#### **Dividend**

The Board of Directors at their Meeting held on May 10, 2019, recommended dividend pay-out, subject to the approval of shareholders at the ensuing Annual General Meeting of Rs.1/- per share (10%) of face value of Rs.10/-each, on equity shares of the Company for the whole of the Financial Year 2018-19. The Dividend will be paid to those members whose names appear in the Company's Register of Members and to those persons whose names appear as Beneficial owners as per the details to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd.(CDSL) as at the close of business hours on Tuesday, September 10, 2019, after giving effect to all valid transmission in physical form lodged on or before September 10, 2019 with the Company and/or its Registrar and Share Transfer Agent. The dividend, if declared at the Annual General Meeting, shall be paid within 30 days from the date of AGM i.e. on or before October 16, 2019.

### Dividend history for the last 10 Financial Years

The Table below highlights the history of Dividend declared by the Company in the last 10 Financial Years on the equity shares:

F.Y. of Declaration of Dividend	Date of Declaration of Dividend	Amount declared per equity share* (In Rs.)	Amount of Unpaid/unclaimed Dividend
2008-09	September 30, 2009	0.25	Nil
2009-10	September 30, 2010	0.25	Nil
2010-11	September 30, 2011	0.25	Nil
2011-12	September 10, 2012	0.25	Nil
2012-13	September 10, 2013	0.25	Nil
2013-14	September 25, 2014	0.25	Nil
2014-15	June 27, 2015	0.05	Nil
2015-16	June 29, 2016	0.025	Nil
2016-17	September 11, 2017	1.00	288682**
2017-18	September 28, 2018	1.00	23823**

\*Paid-up value of shares Rs. 10/- each

\*\*As on March 31, 2019

### Due dates for transfer of unclaimed/unpaid dividends to IEPF:

Pursuant to Section 124(5) & (6) of the Companies Act, 2013, except as mentioned below, the Company do not have any unclaimed or unpaid dividends as well as resulting shares there on for a period exceeding 7 years, liable to be transferred to the Investors Education and Protection Fund:

F.Y. ended	Declaration Date	Due Date
March 31, 2017	September 11, 2017	October 17, 2024
March 31, 2018	September 28, 2018	November 3, 2025

### Distribution of Shareholding as on March 31, 2019:

Sr. No	Shares Range	Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
1	1 to 500	55998	96.1059	3417315	2.4986
2	501 to 1000	1190	2.0423	904910	0.6616
3	1001 to 2000	524	0.8993	749471	0.548
4	2001 to 3000	160	0.2746	404609	0.2958
5	3001 to 4000	69	0.1184	242391	0.1772
6	4001 to 5000	54	0.0927	245748	0.1797
7	5001 to 10000	105	0.1802	749749	0.5482
8	10001 and above	167	0.2866	13005575	95.0909
	<b>TOTAL</b>	<b>58267</b>	<b>100.00</b>	<b>136769768</b>	<b>100.00</b>

**Shareholding pattern as at March 31, 2019:**

Sr No	Category	DEMAT Securities	DEMAT Holders	Physical Securities	Physical Holders	Total Securities	Total Value	Percent
1	Clearing Members	664029	316	0	0	664029	6640290	0.4855
2	Corporate Bodies (Promoter Co)	3	1	0	0	3	30	0
3	Financial Institutions	100880	1	0	0	100880	1008800	0.0738
4	Foreign Nationals	50	1	0	0	50	500	0
5	Foreign Portfolio Investors (Corporate)	13236728	93	0	0	13236728	132367280	9.6781
6	Hindu Undivided Family	265354	1135	0	0	265354	2653540	0.194
7	Mutual Funds	8661381	20	0	0	8661381	86613810	6.3328
8	NBFCs registered with RBI	8133	8	0	0	8133	81330	0.0059
9	Non Nationalised Banks	8136	1	0	0	8136	81360	0.0059
10	Non Resident (Non Repatriable)	70980	359	0	0	70980	709800	0.0519
11	Non Resident Indians	332805	1031	0	0	332805	3328050	0.2433
12	Other Bodies Corporate	2761724	475	0	0	2761724	27617240	2.0193
13	Promoter - Trust	100	1	0	0	100	1000	0.0001
14	Promoters	103441262	5	0	0	103441262	1034412620	75.632
15	Promoters - HUF	3	1	0	0	3	30	0
16	Public	7218000	54816	100	2	7218100	72181000	5.2776
17	Trusts	100	1	0	0	100	1000	0.0001
	<b>TOTAL:</b>	<b>136769668</b>	<b>58265</b>	<b>100</b>	<b>2</b>	<b>136769768</b>	<b>1367697680</b>	<b>100.00</b>

**Dematerialization of shares and liquidity**

Except 100 Shares, 100% of the equity shares of the Company are held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited as on March 31, 2019.

Mode of Holding	No. of Shares	%
NSDL	133145553	97.35
CDSL	3624115	2.65
Physical	100	0.00
<b>TOTAL</b>	<b>136769768</b>	<b>100.00</b>

## Reconciliation of Share Capital Audit Report

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the Company's shares are listed. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

## Means of communication to shareholders

- i. The Un-audited quarterly/half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the Financial Year as per the requirement of the SEBI (LODR) Regulations, 2015.
- ii. The approved financial results are forthwith sent to the Stock Exchanges and are published in National English newspaper and in local language (Hindi) newspaper, within forty-eight hours of approval thereof.
- iii. The Company's financial results and official press releases are displayed on the Company's website [www.dilipbuildcon.com](http://www.dilipbuildcon.com).
- iv. Any presentation made to the institutional investors or/and analysts are also posted on the Company's website [www.dilipbuildcon.com](http://www.dilipbuildcon.com).
- v. Management Discussion and Analysis forms part of the Annual Report, which is sent to the shareholders of the Company.
- vi. The quarterly results, shareholding pattern, quarterly compliances, Corporate Governance Report, all the price sensitive information and all other corporate communication to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited are filed electronically. The Company has complied with filing submissions with BSE's through BSE Listing Centre. Likewise, the said information is also filed electronically with NSE through NEAPS portal.
- vii. A separate dedicated section under "Investors", on the Company's website gives information of shareholding pattern, quarterly/ half yearly results and other relevant information of interest to the investors/public.

## Share transfer system

During the financial 2018-19, the transfer of shares in physical form has been processed and completed by Registrar & Transfer Agent within a period of fifteen days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/ CDSL through respective Depository Participants. In compliance with the SEBI (LODR) Regulations, 2015, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued. Presently, the company has 100 outstanding shares in physical form.

Share transactions are simpler and faster in electronic form. After a confirmation of a sale/purchase transaction from the broker, shareholders should approach the depository participant with a request to debit or credit the account for the transaction. The depository participant will immediately arrange to complete the transaction by uploading the account. There is no need for a separate communication to the company to register the transfer.

**Pursuant to the amendment in Regulation 40 of SEBI (LODR) Regulations, 2015, vide Gazette notification dated June 8, 2018, effective from April 1, 2019, barred physical transfer of shares of listed companies and mandated transfer only through demat. However, the investors are not barred from holding shares in physical form.**

## Nomination

Individual shareholders holdings are singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent. Presently, the company has 100 outstanding shares in physical form.

## Electronic Clearing Service

The Securities and Exchange Board of India (SEBI) has made it mandatory for all Companies to use the Bank account details furnished by the Depositories for depositing dividends. Dividend will be credited to the Members' bank account through ECS wherever complete core banking details are available with the Company. In case, where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. The Company complies with the SEBI requirement.

### Service of documents through electronic mode

As a part of Green Initiatives, the members who wish to receive the notices/documents through e-mail, may kindly intimate their e-mail addresses to the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited, to its e-mail id i.e. "rnt.helpdesk@linkintime.co.in" or to the Company e-mail id i.e. "investor@dilipbuildcon.co.in".

### Address for correspondence:

Compliance Officer	Link Intime India Pvt.Ltd.	Correspondence with Secretarial Department of the Company
Mr. Abhishek Shrivastava	Unit: Dilip Buildcon Limited	Dilip Buildcon Limited: Secretarial Department
Company Secretary & Compliance Officer	LINK INTIME INDIA PRIVATE LIMITED	Plot No.5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road
Dilip Buildcon Limited	C101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai- 400083	Bhopal 462016
Plot No.5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal - 462016, Madhya Pradesh	Maharashtra	Madhya Pradesh
Tel:+91755-4029999	Tel No:+9122-49186270	Tel:+91755-4029999
Fax:+91755-4029998	Fax:+9122-49186060	Fax:+91755-4029998
e-mail: csabhishek@dilipbuildcon.co.in	e-mail: rnt.helpdesk@linkintime.co.in	e-mail: investor@dilipbuildcon.co.in

### Compliance Certificate of the Auditors:

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI(LODR) Regulations, 2015 and the same is annexed to this Report.

### Investors service and grievance handling mechanism

All share related transactions viz. transfer, transmission, transposition, nomination, dividend, change of name/ address/signature, registration of mandate/power of attorney, replacement/split/ consolidation of share certificates /demat/ remat of shares, issue of duplicate share certificates etc. are being handled by the RTA which performs its functions effectively, efficiently and expeditiously. Investors are requested to correspond directly on all share related matters with Link Intime India Private Limited at C101, 247 Park, L B S Marg, Vikhroli West Mumbai 400083 and for any other query to the Company Secretary & Compliance Officer of the Company at the Registered Office of the Company at Plot No.5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal 462016, Madhya Pradesh and for prompt response shareholders/ investors may send correspondences which do not require signature verification for processing through e-mail at investor@dilipbuildcon.co.in. The Board of Directors of the Company has constituted a Stakeholders' Relationship Committee comprising of Mr. Satish Chandra Pandey, Mr. Dilip Suryavanshi, Mr. Devendra

Jain, Mr. Ashwini Verma and Mr. Amogh Kumar Gupta, Directors of the Company which, inter-alia, approves issue of duplicate certificates and oversees and reviews all matters connected with securities transfers and other processes. The Committee also reviews the redressal of shareholders' complaints related to transfer of shares, non-receipt of Annual Report, non-receipt of dividends etc. The Committee oversees performance of the RTA and recommends measures for overall improvement in the quality of investor services. A summary of investor related transactions and details are also considered by the Board of Directors of the Company.

### Investor Complaints

11 complaints were received during the year and were attended by the Company. Therefore, no complaints was pending as on March 31, 2019.

### Updation and change of address by the shareholders

- 1) Shareholders are required to inform the Company in writing of any change in their address quoting their folio number for shares in physical form, if any.
- 2) Change of address is effected only when the signature of the first registered holder on the request letter matches with the specimen signature recorded with the Company.

- 3) Change of address for shares held in demat form should be notified only to the concerned Depository Participant (DP).
- 4) Requests for change of address should be accompanied by any address proof like Aadhaar Card, electricity bill, telephone bill, bank statement, driving license, voter ID card etc.
- 5) There can be only one Registered Address for one folio.

#### Book closure

The Register of Members and the Share Transfer Books of the Company shall remain closed from Wednesday, September 11, 2019 to Tuesday, September 17, 2019 (both day inclusive) for the purpose of 13<sup>th</sup> AGM and for payment of Dividend for the Financial Year 2018-19.

#### Listing of equity shares

The equity shares of the Company are listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) and having status of frequently traded shares. There has been no suspension in the trading of the shares by any stock exchange during the year.

#### Listing fees to stock exchanges

The Company has paid the Listing Fees for the financial year 2019-20 to the above Stock Exchanges.

Stock Market data for the financial year 2018-19

#### DBL share price versus the NSE NIFTY

Month	DBL NSE Price in Rs.				NSE Nifty Price in Rs.		
	High	Low	Month close	Traded Quantity	High	Low	Close
April – 18	1218.00	1014.40	1162.45	6829969	10759.00	10111.30	10739.35
May – 18	1247.50	760.10	832.35	19522847	10929.20	10417.80	10736.15
June – 18	894.70	664.05	664.05	10069057	10893.25	10550.90	10714.30
July – 18	833.60	599.35	809.30	8447148	11366.00	10604.65	11356.50
August – 18	833.60	599.35	809.30	8447148	11760.20	11234.95	11680.50
September – 18	842.30	635.00	653.95	3540029	11751.80	10850.30	10930.45
October – 18	656.90	365.00	422.85	9309034	11035.65	10004.55	10386.60
November – 18	508.80	393.00	459.20	9327212	10922.45	10341.90	10876.75
December – 18	469.90	412.55	418.25	4855620	10985.15	10333.85	10862.55
January – 19	469.90	412.55	418.25	4855620	10987.45	10583.65	10830.95
February – 19	477.95	312.25	430.00	11421856	11118.10	10585.65	10792.50
March – 19	734.80	430.30	641.50	24348298	11630.35	10817.00	11623.90

#### Custodian fees to depositories

The Company has paid custodian fees for the financial year 2019-20 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

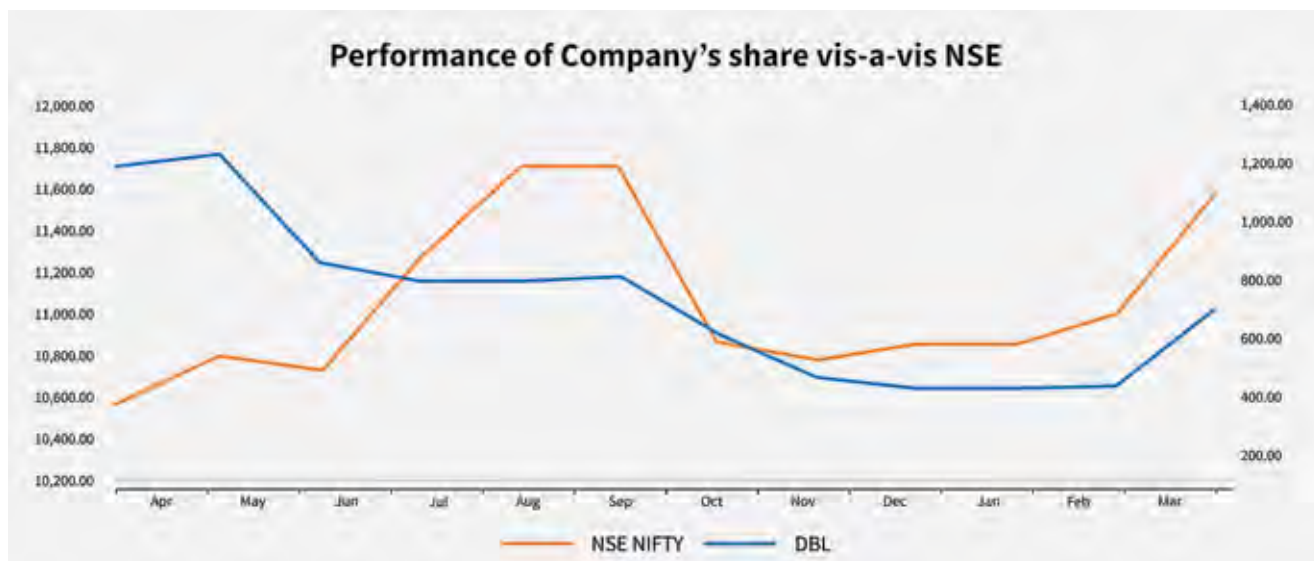
#### Disclosure of commodity price risks and commodity hedging activities

Presently, the Company is not dealing in commodities and commodity hedging activities. However, the Company has in-house financial experts to identify and review the future possibilities of said risks and control it accordingly.

#### Stock Code/Symbol:

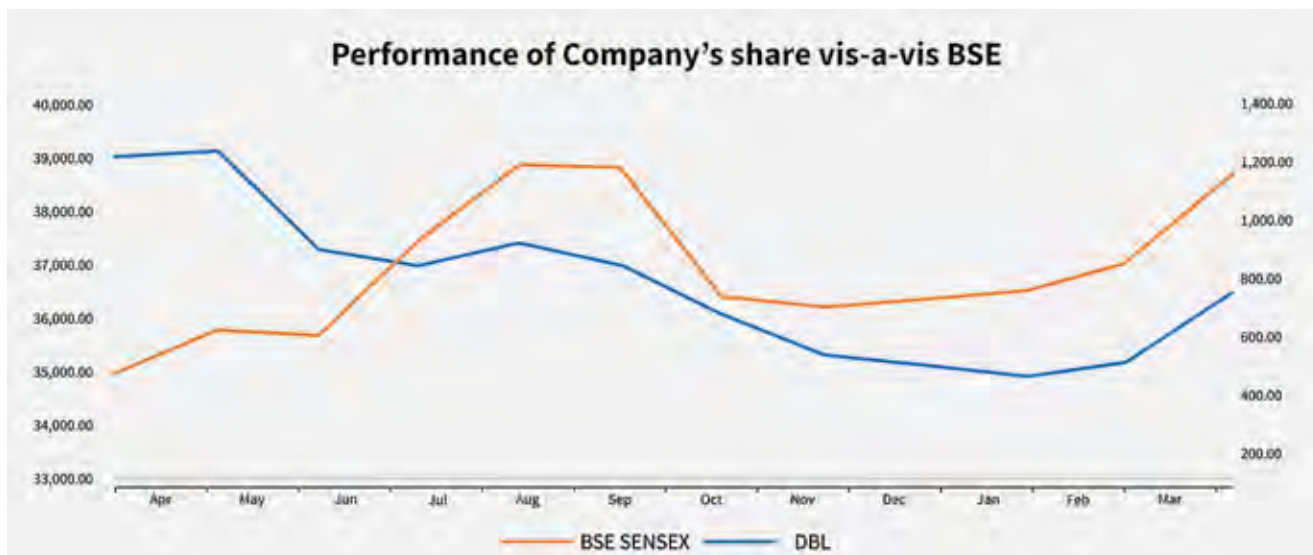
The Company's equity shares are listed on the following Stock Exchanges:

BSE Limited(BSE)	Scrip Code-540047
National Stock Exchange of India Limited (NSE)	Scrip Code-DBL
ISIN	INE917M01012



**DBL share price versus the BSE Sensex**

Month	DBL BSE Price in Rs				BSE Sensex Price in Rs.		
	High	Low	Month close	Traded Quantity	High	Low	Close
April – 18	1217.00	1012.00	1163.50	1055584	35213.3	32972.56	35160.36
May – 18	1248.35	762.10	834.35	1933860	35993.53	34302.89	35322.38
June – 18	893.40	663.65	663.65	2108308	35877.41	34784.68	35423.48
July – 18	838.00	599.00	805.20	1514747	37644.59	35106.57	37606.58
August – 18	915.75	774.00	837.40	1160772	38989.65	37128.99	38645.07
September – 18	840.00	590.25	653.30	510540	38934.35	35985.63	36227.14
October – 18	655.00	365.40	425.60	1138799	36616.64	33291.58	34442.05
November – 18	508.50	369.10	458.70	1252888	36389.22	34303.38	36194.3
December – 18	473.00	413.90	417.45	654432	36554.99	34426.29	36068.33
January - 19	431.55	319.00	321.20	483952	36701.03	35375.51	36256.69
February – 19	476.95	311.55	429.45	1414816	37172.18	35287.16	35867.44
March - 19	733.85	430.10	643.45	2934025	38748.54	35926.94	38672.91



Particulars	BSE	NSE
Closing share price as on March 31, 2019	Rs.643.45	Rs. 641.50
Market Capitalization as on March 31, 2019	Rs.8800.45 Crores	Rs.8773.78 Crores

# ANNEXURE 1

## DIVIDEND DISTRIBUTION POLICY

### INTRODUCTION

As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, prescribed Listed Companies are required to frame a Dividend Distribution Policy.

### PURPOSE

The purpose of this Policy is to regulate the process of dividend declaration and its pay-out by the Company which would ensure a regular dividend income for the shareholders and long term capital appreciation for all stakeholders of the Company.

### AUTHORITY

This Policy has been approved and adopted by the Board of Directors of Dilip Buildcon Limited ('the Company'). The Policy shall also be displayed in the annual report and also on the website of the Company.

### FORMS OF DIVIDENDS

The Companies Act provides for two forms of Dividend:

#### ➤ Final Dividend

The final dividend is paid once for the financial year after the annual accounts are prepared. The Board of Directors of the Company has the power to recommend the payment of final dividend to the shareholders for their approval at the general meeting of the Company. The declaration of final dividend shall be included in the ordinary business items that are required to be transacted at the Annual General Meeting.

#### ➤ Interim Dividend

This form of dividend can be declared by the Board of Directors one or more times in a financial year as may be deemed fit by it. The Board of Directors shall have the absolute power to declare interim dividend during the financial year, in line with this policy. The Board should consider declaring an interim dividend after finalization of quarterly/ half yearly financial results. This would be in order to supplement the annual dividend or to reward shareholders in exceptional circumstances.

### QUANTUM OF DIVIDEND AND DISTRIBUTION

Dividend payout in a particular year shall be determined after considering the operating and financial performance of the Company and the cash requirement for financing the Company's future growth. In line with the past practice, the payout ratio is expected to grow in accordance with the profitable growth of the Company under normal circumstances.

### DECLARATION OF DIVIDEND

Dividend shall be declared or paid only out of-

- 1) Current financial year's profit:
  - a) after providing for depreciation in accordance with law;
  - b) after transferring to reserves such amount as may be prescribed or as may be otherwise considered appropriate by the Board at its discretion.
- 2) The profits for any previous financial year(s) after providing for depreciation in accordance with law and remaining undistributed; or
- 3) out of 1) & 2) both

The circumstances under which shareholders may not expect dividend/or when the dividend could not be declared by the Company shall include, but are not limited to the following:

- Whenever it undertakes any acquisitions or joint ventures requiring allocation of capital;
- the Board considers it appropriate to retain profit for future expansion;
- Higher working capital requirements adversely impacting free cash flow;
- To infuse funds for the growth of the company;
- Due to operation of any other law in force;
- Due to losses incurred by the Company and the Board considers it appropriate not to declare dividend for any particular year;
- Due to any restrictions and covenants contained in any agreement as may be entered with the Lenders; and
- Any other circumstances as deemed fit by the Board.

### FACTORS AFFECTING DIVIDEND DECLARATION:

The Dividend pay-out decision of any company, depends upon certain external and internal factors-

#### External Factors:

**Legal/ Statutory Provisions and Regulatory concern:** The Board should keep in mind the restrictions imposed by Companies Act, any other applicable laws with regard to declaration and distribution of dividend. Further, any restrictions on payment of dividends by virtue of any regulation as may be applicable to the Company may also impact the declaration of dividend.

**State of Economy:** The Board will endeavor to retain larger part of profits to build up reserves to absorb future shocks in case of

uncertain or recessionary economic conditions and in situation where the policy decisions of the Government have a bearing on or affect the business of the Company.

**Nature of Industry:** The nature of industry in which a company is operating, influences the dividend decision. Like the industries with stable demand throughout the year are in a position to have stable earnings and thus declare stable dividends.

**Taxation Policy:** The tax policy of a country also influences the dividend policy of a company. The rate of tax directly influences the amount of profits available to the company for declaring dividends.

**Capital Markets:** In case of unfavorable market conditions, Board may resort to a conservative dividend pay-out in order to conserve cash outflows and reduce the cost of raising funds through alternate resources.

#### **Internal Factors:**

Apart from the various external factors, the Board shall take into account various internal factors including the financial parameters while declaring dividend, which inter alia will include –

**Magnitude and Stability of Earnings:** The extent of stability and magnitude of company's earnings will directly influence the dividend declaration. Thus, the dividend is directly linked with the availability of the earnings (including accumulated earnings) with the company.

**Liquidity Position:** A company's liquidity position also determines the level of dividend. If a company does not have sufficient cash resources to make dividend payment, then it may reduce the amount of dividend pay-out.

**Future Requirements:** If a company foresees some profitable investment opportunities in near future including but not limited to Brand/ Business Acquisitions, Expansion / Modernization of existing businesses, Additional investments in subsidiaries/ associates of the Company, Fresh investments into external businesses, then it may decide for lower dividend payout and vice-versa.

#### **Leverage profile and liabilities of the Company.**

#### **Any other factor as deemed fit by the Board.**

### **RETAINED EARNINGS**

The portion of profits not distributed among the shareholders but retained and used in business are termed as retained earnings. It is also referred to as ploughing back of profit. The Company should ensure to strike the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. These earnings may be utilized for internal financing of its various projects and for fixed as well as working capital. Thus the retained earnings shall be utilized for carrying out the main objectives of the company and maintaining adequate liquidity levels.

### **PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARE**

The Company does not have different classes of shares and follows the 'one share, one vote' principle.

### **REVIEW & AMENDMENT**

The Policy shall be reviewed as and when required to ensure that it meets the objectives of the relevant legislation and remains effective. The Board has the right to change/amend the policy as may be expedient taking into account the law for the time being in force.

## ANNEXURE 2

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2019**

[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 and Regulation 24A of SEBI  
(Listing Obligations and Disclosure Requirements) regulations, 2015 as amended]

To,  
The Members,  
Dilip Buildcon Limited  
CIN: L45201MP2006PLC018689  
Plot No. 5, Inside Govind Narayan Singh Gate,  
Chuna Bhatti, Kolar Road,  
Bhopal - 462016 (MP)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Dilip Buildcon Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2019 (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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31st March 2019 according to the provisions of:

- |  |  |
|--|--|
| <ul style="list-style-type: none"><li>i) The Companies Act, 2013 (the Act) and the rules made there under;</li><li>ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;</li><li>iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;</li></ul> | <ul style="list-style-type: none"><li>iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;</li><li>v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-<ul style="list-style-type: none"><li>a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;</li><li>b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;</li><li>c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;</li><li>d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;</li><li>e) 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;</li><li>f) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) regulations, 2015; and</li></ul></li><li>vi) Other laws as specifically applicable to the Company, namely:<ul style="list-style-type: none"><li>(a) Indian Tolls Act, 1881 and rules made there under;</li><li>(b) Control of National Highway (Land &amp; Traffic) Act, 2002 and the rules made there under;</li><li>(c) Motor Vehicle Act, 1988 and the rules made there under;</li></ul></li></ul> |
|--|--|

- (d) Information and Technology Act, 2000 and the rules made there under;
- (e) Indian Copyright Act, 1957;
- (f) Trade Marks Act, 1990;
- (g) Labour Legislations viz.
- b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
- d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- Employees Provident Fund Act, 1952
- The payment of Gratuity Act, 1972
- The Maternity Benefit Act, 1961
- The Contract Labour (Regulation & Abolition) Act, 1970
- The Workmen Compensation Act, 1923
- Factories Act, 1948
- Industrial Disputes Act, 1947
- The Sexual Harassment of Women at workplaces (Prevention, Prohibition and Redressal) Act, 2013
- Trade Union Act, 1926
- The Employees State Insurance Corporation Act, 1948
- The Equal Remuneration Act, 1976
- Payment of Bonus Act, 1965

(h) Environment Health & Safety Laws:

- The Air (Prevention and Control of Pollution) Act, 1981
- The Water (Prevention and Control of Pollution) Act, 1974
- The Environment (Protection) Act, 1986

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India;

We report that during the year under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards mentioned above.

We further report that, there were no events/ actions in pursuance of

- a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

requiring compliance thereof by the Company during the audit period;

We further report that, the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors and other designated professionals.

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally 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 were unanimous and no dissenting views have been recorded.

We further report that, based on the information provided and the representation made by the Company and also on the review of the compliance certificates/reports taken on record by the Board of Directors of the Company, in my opinion there are adequate systems and process in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the period under review:

- The Company has altered the Main object clause of the Memorandum of Association by passing the resolution

through postal ballot dated 14th November, 2018 for inserting the new sub clause 4 in the Clause III (A) for doing the business relating to the petroleum products.

- The Company was required to spend INR 858.00/- Lakhs (P.Y. INR 531.71/- Lakhs) on CSR activities during the preceding year. The Company had incurred expenditure relating to CSR activities amounting to INR 107.94/- Lakhs (P.Y. INR 233.68/- Lakhs).

And except the above there were no other specific events/actions in pursuance of the above-referred laws, rules, regulations, guidelines etc. having a major bearing on the Company affairs.

**Place: Bhopal**  
**Date: 28.05.2019**

**For Piyush Bindal & Associates**  
**Company Secretaries**

**Piyush Bindal**  
**(Proprietor)**  
**FCS – 6749**  
**CP. No. 7442**

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

#### **Annexure A**

To,  
The Members,  
Dilip Buildcon Limited  
CIN: L45201MP2006PLC018689  
Plot No. 5, Inside Govind Narayan Singh Gate,  
Chuna Bhatti, Kolar Road,  
Bhopal - 462016 (MP)

Our Secretarial Audit 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 not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed provided a reasonable basis for our opinion.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
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.

**Place: Bhopal**  
**Date: 28.05.2019**

**For Piyush Bindal & Associates**  
**Company Secretaries**

**Piyush Bindal**  
**(Proprietor)**  
**FCS – 6749**  
**CP. No. 7442**

## ANNEXURE 3

### FORM MGT-9

Extract of Annual Return as on the financial year ended on 31<sup>st</sup> March, 2019

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

#### I. REGISTRATION AND OTHER DETAILS:

i) CIN	:	L45201MP2006PLC018689
ii) Registration Date	:	June 12, 2006
iii) Name of the Company	:	Dilip Buildcon Limited
iv) Category / Sub-Category of the Company	:	Limited by Shares Indian Non- Government Company
v) Address of the Registered office and contact details	:	Regd. Office: Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.) Ph.:0755-4029999, Fax: 0755-4029998 Email: <a href="mailto:db@dilipbuildcon.co.in">db@dilipbuildcon.co.in</a> Website: <a href="http://www.dilipbuildcon.com">www.dilipbuildcon.com</a>
vi) Whether listed company Yes / No	:	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Link Intime India Private Limited C-101, 1st Floor, 247 Park, L.B.S Marg, Vikhroli West, Mumbai -400083 Maharashtra Tel: +91 22 49186000 Fax: +91 22 49186060 E-mail: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>

#### 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:-

S. No	Name and description of main	NIC code of the product/ service	% to total turnover of the Company
1	Roads and other infrastructure projects (Construction)	42	89.66
2	Mining of Coal and Lignite	05	10.34

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	Applicable Section
1	Suryavanshi Infrastructure Private Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45203MP2007PTC019459	Wholly owned Subsidiary	Section 2(87)
2	DBL Nadiad Modasa Tollways Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45200MP2011PLC026188	Associate	Section 2(6)
3	DBL Ashoknagar-Vidisha Tollways Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45200MP2013PLC030153	Associate	Section 2(6)

S. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	Applicable Section
4	DBL Betul-Sarni Tollways Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45200MP2013PLC030636	Wholly owned Subsidiary	Section 2(87)
5.	DBL Tikamgarh-Nowgaon Tollways Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45200MP2013PLC031732	Wholly owned Subsidiary	Section 2(87)
6	DBL Hata – Dargawon Tollways Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45203MP2015PLC034513	Wholly owned Subsidiary	Section 2(87)
7	DBL Patan Rehli Tollways Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45203MP2015PLC034537	Subsidiary	Section 2(87)
8	Jalpa Devi Tollways Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45203MP2015PLC034538	Wholly owned Subsidiary	Section 2(87)
9	DBL Mundargi Harapanahalli Tollways Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45400MP2015PLC034854	Wholly owned Subsidiary	Section 2(87)
10	DBL Hassan Periyapatna Tollways Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45203MP2015PLC034878	Wholly owned Subsidiary	Section 2(87)
11	DBL Hirekerur-Ranibennur Tollways Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45200MP2015PLC034882	Wholly owned Subsidiary	Section 2(87)
12	DBL Lucknow Sultanpur Highways Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45500MP2016PLC041454	Wholly owned Subsidiary	Section 2(87)
13	DBL Kalmath Zarap Highways Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45203MP2016PLC041978	Wholly owned Subsidiary	Section 2(87)
14	Jalpa Devi Engineering Private Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U29309MP2017PTC042847	Wholly owned Subsidiary	Section 2(87)
15	DBL Tuljapur Ausa Highways Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45500MP2017PLC042967	Subsidiary	Section 2(87)
16	Bhavya Infra & Systems Private Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45200MP2007PTC019797	Wholly owned Subsidiary	Section 2(87)
17	DBL Mahagaon Yavatmal Highways Private Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45309MP2017PTC043177	Wholly owned Subsidiary	Section 2(87)
18	DBL Yavatmal Wardha Highways Private Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45500MP2017PTC043169	Wholly owned Subsidiary	Section 2(87)

<b>S. No</b>	<b>NAME AND ADDRESS OF THE COMPANY</b>	<b>CIN/GLN</b>	<b>HOLDING/ SUBSIDIARY / ASSOCIATE</b>	<b>Applicable Section</b>
19	DBL Wardha Butibori Highways Private Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45309MP2017PTC043184	Wholly owned Subsidiary	Section 2(87)
20	DBL-VPR Mining Private Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U10100MP2018PTC044799	Wholly owned Subsidiary	Section 2(87)
21	DBL Chandikhole Bhadrak Highways Private Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45309MP2018PTC044998	Wholly owned Subsidiary	Section 2(87)
22	DBL Anandapuram Anakapalli Highways Private Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45309MP2018PTC045402	Wholly owned Subsidiary	Section 2(87)
23	DBL Bangalore Nidagatta Highways Private Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45309MP2018PTC045392	Wholly owned Subsidiary	Section 2(87)
24	DBL Gorhar Khairatunda Highways Private Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45402MP2018PTC045456	Wholly owned Subsidiary	Section 2(87)
25	DBL Nidagatta Mysore Highways Private Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45309MP2018PTC045485	Wholly owned Subsidiary	Section 2(87)
26	DBL Rewa Sidhi Highways Private Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45309MP2018PTC045515	Wholly owned Subsidiary	Section 2(87)
27	DBL Byrapura Challakere Highways Private Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45309MP2018PTC045514	Wholly owned Subsidiary	Section 2(87)
28	DBL Mangloor Higways Private Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45309MP2018PTC045519	Wholly owned Subsidiary	Section 2(87)
29	DBL Sangli Bargaon Highways Private Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45209MP2018PTC045510	Wholly owned Subsidiary	Section 2(87)
30	DBL Bargaon Watambare Highways Private Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45203MP2018PTC045516	Wholly owned Subsidiary	Section 2(87)
31	DBL Mangalwedha Solapur Highways Private Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45309MP2018PTC045517	Wholly owned Subsidiary	Section 2(87)
32	DBL Bellary Byrapura Highways Private Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45500MP2018PTC046171	Wholly owned Subsidiary	Section 2(87)
33	DBL Pachhwara Coal Mine Private Limited Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U10100MP2018PTC046473	Subsidiary	Section 2(87)

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01- April-2018				No. of Shares held at the end of the year i.e. 31-March-2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	103441259	0	103441259	75.63	103441259	0	103441259	75.63	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other (Suryavanshi Family Trust)	100	0	100	0	100	0	100	0	0
<b>Sub-total (A)(1):-</b>	<b>103441359</b>	<b>0</b>	<b>103441359</b>	<b>75.63</b>	<b>103441359</b>	<b>0</b>	<b>103441359</b>	<b>75.63</b>	<b>0</b>
<b>(2) Foreign</b>									
a) NRIs- Individual	0	0	0	0	0	0	0	0	0
b) Other - Individual	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>103441359</b>	<b>0</b>	<b>103441359</b>	<b>75.63</b>	<b>103441359</b>	<b>0</b>	<b>103441359</b>	<b>75.63</b>	<b>0</b>
<b>B. Public Shareholding/ other than Promoters</b>									
<b>1. Institutions</b>									
a) Mutual Funds	9009753	0	9009753	6.59	8661381	0	8661381	6.33	(0.26)
b) Banks / FI	53284	0	53284	0.04	109016	0	109016	0.08	0.04
c) Central Govt	0	0	0	0	0	0	0	0	
d) State Govt(s)	0	0	0	0	0	0	0	0	
e) Venture Capital Funds	0	0	0	0	0	0	0	0	
f) Insurance Companies	0	0	0	0	0	0	0	0	
g) FIIs	13678064	0	13678064	10.00	13236728	0	13236728	9.68	(0.32)
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	
i) Others (specify)	0	0	0	0	0	0	0	0	
<b>Sub-total (B)(1)</b>	<b>22741101</b>	<b>0</b>	<b>22741101</b>	<b>16.63</b>	<b>22007125</b>	<b>0</b>	<b>22007125</b>	<b>16.09</b>	<b>(0.54)</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	3162433	0	3162433	2.31	2774563	0	2774563	2.03	(0.28)
ii) Overseas	0	0	0	0	0	0	0	0	
b) Individuals									

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01- April-2018				No. of Shares held at the end of the year i.e. 31-March-2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	3938527	51	3938578	2.88	5394422	100	5394522	3.94	1.06
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2273060	0	2273060	1.66	1834609	0	1834609	1.34	(0.32)
c) Others (specify)	0	0	0	0	0	0	0	0	0
HUF	416812	0	416812	0.30	265438	0	265438	0.19	(0.11)
Non Resident Indians	364295	0	364295	0.27	405217	0	405217	0.30	0.03
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	50	0	50	0	50	0	50	0	0
Clearing Members	432080	0	432080	0.32	646785	0	646785	0.48	0.16
Trusts	0	0	0	0	100	0	100	0.00	0
Foreign Bodies-DR	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	<b>10587257</b>	<b>51</b>	<b>10587308</b>	<b>7.74</b>	<b>11321184</b>	<b>100</b>	<b>11321284</b>	<b>8.27</b>	<b>0.53</b>
<b>Total Public Shareholding /other than promoters (B)=(B)(1)+ (B)(2)</b>	<b>33328358</b>	<b>51</b>	<b>33328409</b>	<b>24.37</b>	<b>33328309</b>	<b>100</b>	<b>33328409</b>	<b>24.37</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</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>Grand Total (A+B+C)</b>	<b>136769717</b>	<b>51</b>	<b>136769768</b>	<b>100</b>	<b>136769668</b>	<b>100</b>	<b>136769768</b>	<b>100</b>	

## ii) Shareholding of Promoter:

S. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 01- April-2018			Share holding at the end of the year i.e. 31-March-2019			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares of the Company	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares of the Company	
1	Dilip Suryavanshi	55,673,487	40.71	4.73	55,673,487	40.71	13.65	0.00
2	Seema Suryavanshi	11,904,200	8.70	0	11,904,200	8.70	0	0.00
3	Devendra Jain	35,863,572	26.22	0	35,863,572	26.22	7.63	0.00
4	Suryavanshi Family Trust	100	0.00	0	100	0.00	0	0.00
	<b>Total</b>	<b>103,441,359</b>	<b>75.63</b>	<b>4.73</b>	<b>103,441,359</b>	<b>75.63</b>	<b>21.28</b>	<b>0.00</b>

iii) Change in Promoters' Shareholding

S. No.	Promoters' Name	Shareholding at the beginning of the year i.e. 01-April-2018		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>DILIP SURYAVANSHI</b>				
	<b>At the beginning of the year</b>	55,673,487	40.71	55,673,487	40.71
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	55,673,487	40.71
	<b>At the end of the year</b>			<b>55,673,487</b>	<b>40.71</b>
<b>2</b>	<b>SEEMA SURYAVANSHI</b>				
	<b>At the beginning of the year</b>	11,904,200	8.70	11,904,200	8.70
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	11,904,200	8.70
	<b>At the end of the year</b>			<b>11,904,200</b>	<b>8.70</b>
<b>3</b>	<b>DEVENDRA JAIN</b>				
	<b>At the beginning of the year</b>	35,863,572	26.22	35,863,572	26.22
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	35,863,572	26.22
	<b>At the end of the year</b>			<b>35,863,572</b>	<b>26.22</b>
<b>4</b>	<b>SURYAVANSHI FAMILY TRUST</b>				
	<b>At the beginning of the year</b>	100	0	100	0
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	100	0
	<b>At the end of the year</b>			<b>100</b>	<b>0</b>

iv) Shareholding Pattern of top ten Shareholders:  
(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year i.e. 01- April-2018		Transactions during the year (Increase/Decrease in shareholding during the year)		Cumulative Shareholding during the year 2019	
		No. of shares Held	% of total share of the Company	Date of Transaction	No. of Shares	No. of shares Held	% of total shares of the Company
<b>1.</b>	<b>HDFC TRUSTEE COMPANY LTD - A/C HDFC MID - CAPOPPORTUNITIES FUND</b>	<b>5878278</b>	<b>4.2979</b>			<b>5878278</b>	<b>4.2979</b>
	Transfer			06 Apr 2018	(155055)	5723223	4.1846
	Transfer			13 Apr 2018	(228000)	5495223	4.0179
	Transfer			20 Apr 2018	(87100)	5408123	3.9542
	Transfer			27 Apr 2018	(151600)	5256523	3.8433
	Transfer			04 May 2018	(72300)	5184223	3.7905

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year i.e. 01- April-2018		Transactions during the year (Increase/Decrease in shareholding during the year)		Cumulative Shareholding during the year 2019	
		No. of shares Held	% of total share of the Company	Date of Transaction	No. of Shares	No. of shares Held	% of total shares of the Company
	Transfer			11 May 2018	(286979)	4897244	3.5806
	Transfer			18 May 2018	(58081)	4839163	3.5382
	Transfer			01 Jun 2018	100000	4939163	3.6113
	Transfer			08 Jun 2018	338000	5277163	3.8584
	Transfer			15 Jun 2018	171286	5448449	3.9837
	Transfer			22 Jun 2018	(30000)	5418449	3.9617
	Transfer			30 Jun 2018	(50000)	5368449	3.9252
	Transfer			03 Aug 2018	(137080)	5231369	3.8249
	Transfer			10 Aug 2018	(22000)	5209369	3.8089
	Transfer			16 Nov 2018	24166	5233535	3.8265
	Transfer			30 Nov 2018	25000	5258535	3.8448
	Transfer			07 Dec 2018	85900	5344435	3.9076
	Transfer			14 Dec 2018	18803	5363238	3.9214
	Transfer			11 Jan 2019	21800	5385038	3.9373
	Transfer			18 Jan 2019	123696	5508734	4.0277
	Transfer			25 Jan 2019	25000	5533734	4.0460
	Transfer			08 Mar 2019	6700	5540434	4.0509
	<b>At the end of the year</b>					<b>5540434</b>	<b>4.0509</b>
<b>2</b>	<b>EAST BRIDGE CAPITAL MASTER FUND LIMITED</b>	<b>2606064</b>	<b>1.9054</b>			<b>2606064</b>	<b>1.9054</b>
	<b>At the end of the year</b>					<b>2606064</b>	<b>1.9054</b>
<b>3</b>	<b>DSP EQUITY OPPORTUNITIES FUND</b>	<b>2349559</b>	<b>1.7179</b>			<b>2349559</b>	<b>1.7179</b>
	Transfer			13 Apr 2018	(18841)	2330718	1.7041
	Transfer			27 Apr 2018	(47828)	2282890	1.6691
	Transfer			11 May 2018	(19888)	2263002	1.6546
	Transfer			08 Jun 2018	198835	2461837	1.8000
	Transfer			15 Jun 2018	94865	2556702	1.8693
	Transfer			06 Jul 2018	57834	2614536	1.9116
	Transfer			27 Jul 2018	116873	2731409	1.9971
	Transfer			03 Aug 2018	51205	2782614	2.0345
	Transfer			10 Aug 2018	(31035)	2751579	2.0118
	Transfer			24 Aug 2018	(137445)	2614134	1.9113
	Transfer			07 Sep 2018	(9806)	2604328	1.9042
	Transfer			12 Oct 2018	(33000)	2571328	1.8800
	Transfer			19 Oct 2018	(56004)	2515324	1.8391

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year i.e. 01- April-2018		Transactions during the year (Increase/Decrease in shareholding during the year)		Cumulative Shareholding during the year 2019	
		No. of shares Held	% of total share of the Company	Date of Transaction	No. of Shares	No. of shares Held	% of total shares of the Company
	Transfer			30 Nov 2018	(17177)	2498147	1.8265
	Transfer			28 Dec 2018	(607)	2497540	1.8261
	Transfer			31 Dec 2018	(63863)	2433677	1.7794
	Transfer			04 Jan 2019	63863	2497540	1.8261
	Transfer			15 Mar 2019	(33863)	2463677	1.8013
	<b>At the end of the year</b>					<b>2463677</b>	<b>1.8013</b>
<b>4</b>	<b>FRANKLIN TEMPLETON INVESTMENT FUNDS</b>	<b>0</b>	<b>0.0000</b>			<b>0</b>	<b>0.0000</b>
	Transfer			11 May 2018	314435	314435	0.2299
	Transfer			18 May 2018	26700	341135	0.2494
	Transfer			25 May 2018	619292	960427	0.7022
	Transfer			22 Jun 2018	161375	1121802	0.8202
	Transfer			30 Jun 2018	79825	1201627	0.8786
	Transfer			06 Jul 2018	196974	1398601	1.0226
	Transfer			27 Jul 2018	108669	1507270	1.1020
	Transfer			24 Aug 2018	127662	1634932	1.1954
	Transfer			31 Aug 2018	77139	1712071	1.2518
	Transfer			29 Sep 2018	18004	1730075	1.2650
	Transfer			05 Oct 2018	101700	1831775	1.3393
	Transfer			12 Oct 2018	37710	1869485	1.3669
	<b>At the end of the year</b>					<b>1869485</b>	<b>1.3669</b>
<b>5</b>	<b>AADI FINANCIAL ADVISORS LLP</b>	<b>1350000</b>	<b>0.9871</b>			<b>1350000</b>	<b>0.9871</b>
	Transfer			01 Jun 2018	(150000)	1200000	0.8774
	Transfer			06 Jul 2018	(3989)	1196011	0.8745
	Transfer			27 Jul 2018	12040	1208051	0.8833
	Transfer			19 Oct 2018	15000	1223051	0.8942
	<b>At the end of the Year</b>					<b>1223051</b>	<b>0.8942</b>
<b>6</b>	<b>ABU DHABI INVESTMENT AUTHORITY - BEHAVE</b>	<b>1482044</b>	<b>1.0836</b>			<b>1482044</b>	<b>1.0836</b>
	Transfer			08 Jun 2018	(600000)	882044	0.6449
	Transfer			15 Feb 2019	60676	942720	0.6893
	Transfer			22 Feb 2019	2870	945590	0.6914
	<b>At the end of the Year</b>					<b>945590</b>	<b>0.6914</b>

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year i.e. 01- April-2018		Transactions during the year (Increase/Decrease in shareholding during the year)		Cumulative Shareholding during the year 2019	
		No. of shares Held	% of total share of the Company	Date of Transaction	No. of Shares	No. of shares Held	% of total shares of the Company
7	<b>THE WELLINGTON TRUST COMPANY, NATIONAL ASSOCIATION MULTIPLE COLLECTIVE INVESTMENT FUNDS TRUST, OPPORTUNISTIC EQUITY PORTFOLIO</b>	<b>485851</b>	<b>0.3552</b>			<b>485851</b>	<b>0.3552</b>
	Transfer			06 Apr 2018	20670	506521	0.3703
	Transfer			04 May 2018	(7215)	499306	0.3651
	Transfer			30 Jun 2018	(1683)	497623	0.3638
	Transfer			13 Jul 2018	(43018)	454605	0.3324
	Transfer			03 Aug 2018	65225	519830	0.3801
	Transfer			21 Sep 2018	61430	581260	0.4250
	Transfer			29 Sep 2018	164803	746063	0.5455
	Transfer			05 Oct 2018	7900	753963	0.5513
	Transfer			07 Dec 2018	(16583)	737380	0.5391
	Transfer			04 Jan 2019	25151	762531	0.5575
	Transfer			01 Feb 2019	(20017)	742514	0.5429
	<b>At the end of the Year</b>					<b>742514</b>	<b>0.5429</b>
8	<b>LATA BHANSHALI</b>	<b>701424</b>	<b>0.5129</b>			<b>701424</b>	<b>0.5129</b>
	Transfer			01 Jun 2018	(33438)	667986	0.4884
	<b>At the end of the Year</b>					<b>667986</b>	<b>0.4884</b>
9	<b>EAST BRIDGE CAPITAL MASTER FUND I LTD</b>	<b>0</b>	<b>0.0000</b>			<b>0</b>	<b>0.0000</b>
	Transfer			08 Jun 2018	600869	600869	0.4393
	Transfer			30 Nov 2018	38333	639202	0.4674
	<b>At the end of the Year</b>					<b>639202</b>	<b>0.4674</b>
10	<b>VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND</b>	<b>254673</b>	<b>0.1862</b>			<b>254673</b>	<b>0.1862</b>
	Transfer			06 Apr 2018	59942	314615	0.2300
	Transfer			13 Apr 2018	43488	358103	0.2618
	Transfer			25 May 2018	42950	401053	0.2932
	Transfer			08 Jun 2018	34436	435489	0.3184
	Transfer			10 Aug 2018	46993	482482	0.3528
	Transfer			01 Mar 2019	58738	541220	0.3957
	Transfer			08 Mar 2019	26455	567675	0.4151
	<b>At the end of the Year</b>					<b>567675</b>	<b>0.4151</b>

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year i.e. 01- April-2018		Transactions during the year (Increase/Decrease in shareholding during the year)		Cumulative Shareholding during the year 2019	
		No. of shares Held	% of total share of the Company	Date of Transaction	No. of Shares	No. of shares Held	% of total shares of the Company
11	<b>LEGATO CAPITAL MANAGEMENT INVESTMENTS LLC</b>	<b>1072617</b>	<b>0.7843</b>			<b>1072617</b>	<b>0.7843</b>
	Transfer			25 May 2018	(378805)	693812	0.5073
	Transfer			01 Jun 2018	(136090)	557722	0.4078
	Transfer			20 Jul 2018	(21149)	536573	0.3923
	Transfer			27 Jul 2018	(248977)	287596	0.2103
	Transfer			12 Oct 2018	(54500)	233096	0.1704
	Transfer			19 Oct 2018	(233096)	0	0.0000
	<b>AT THE END OF THE YEAR</b>					<b>0</b>	<b>0.0000</b>
12	<b>SOCIETE GENERALE</b>	<b>932441</b>	<b>0.6818</b>			<b>932441</b>	<b>0.6818</b>
	Transfer			06 Apr 2018	23037	955478	0.6986
	Transfer			13 Apr 2018	7548	963026	0.7041
	Transfer			27 Apr 2018	21486	984512	0.7198
	Transfer			04 May 2018	15003	999515	0.7308
	Transfer			11 May 2018	10131	1009646	0.7382
	Transfer			18 May 2018	27696	1037342	0.7585
	Transfer			25 May 2018	(521938)	515404	0.3768
	Transfer			01 Jun 2018	(308740)	206664	0.1511
	Transfer			08 Jun 2018	(180014)	26650	0.0195
	Transfer			22 Jun 2018	(26650)	0	0.0000
	Transfer			13 Jul 2018	11633	11633	0.0085
	Transfer			20 Jul 2018	(881)	10752	0.0079
	Transfer			27 Jul 2018	(6390)	4362	0.0032
	Transfer			03 Aug 2018	(4362)	0	0.0000
	Transfer			16 Nov 2018	196996	196996	0.1440
	Transfer			23 Nov 2018	(26094)	170902	0.1250
	Transfer			30 Nov 2018	(45051)	125851	0.0920
	Transfer			07 Dec 2018	(9560)	116291	0.0850
	Transfer			14 Dec 2018	(36289)	80002	0.0585
	Transfer			21 Dec 2018	(9772)	70230	0.0513
	Transfer			28 Dec 2018	(18716)	51514	0.0377
	Transfer			11 Jan 2019	(15615)	35899	0.0262
	Transfer			18 Jan 2019	(848)	35051	0.0256
	Transfer			15 Feb 2019	(22370)	12681	0.0093
	Transfer			22 Feb 2019	(12681)	0	0.0000
	<b>AT THE END OF THE YEAR</b>					<b>0</b>	<b>0.0000</b>

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year i.e. 01- April-2018		Transactions during the year (Increase/Decrease in shareholding during the year)		Cumulative Shareholding during the year 2019	
		No. of shares Held	% of total share of the Company	Date of Transaction	No. of Shares	No. of shares Held	% of total shares of the Company
<b>13</b>	<b>SKANDIA ASIEN</b>	<b>554576</b>	<b>0.4055</b>			<b>554576</b>	<b>0.4055</b>
	Transfer			13 Apr 2018	(55237)	499339	0.3651
	Transfer			01 Jun 2018	(2659)	496680	0.3632
	Transfer			15 Jun 2018	(48942)	447738	0.3274
	Transfer			13 Jul 2018	39080	486818	0.3559
	Transfer			20 Jul 2018	55764	542582	0.3967
	Transfer			27 Jul 2018	10712	553294	0.4045
	Transfer			03 Aug 2018	13256	566550	0.4142
	Transfer			12 Oct 2018	(31112)	535438	0.3915
	Transfer			26 Oct 2018	(110233)	425205	0.3109
	Transfer			02 Nov 2018	(247453)	177752	0.1300
	Transfer			09 Nov 2018	(45766)	131986	0.0965
	Transfer			16 Nov 2018	(131986)	0	0.0000
	<b>AT THE END OF THE YEAR</b>					<b>0</b>	<b>0.0000</b>

**v) Shareholding of Directors and Key Managerial Personnel:**

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year i.e. 01- April-2018		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>DILIP SURYAVANSHI</b>				
	At the beginning of the year	55673487	40.71	55673487	40.71
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	55673487	40.71
	<b>At the end of the year</b>			<b>55673487</b>	<b>40.71</b>
<b>2</b>	<b>SEEMA SURYAVANSHI</b>				
	At the beginning of the year	11904200	8.70	11904200	8.70
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	11904200	8.70
	<b>At the end of the year</b>			<b>11904200</b>	<b>8.70</b>
<b>3</b>	<b>DEVENDRA JAIN</b>				
	At the beginning of the year	35863572	26.22	35863572	26.22
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	35863572	26.22
	<b>At the end of the year</b>			<b>35863572</b>	<b>26.22</b>

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year i.e. 01- April-2018		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>4</b>	<b>ADITYA VIJAY SINGH</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	Nil	Nil
	<b>At the end of the year</b>			<b>Nil</b>	<b>Nil</b>
<b>5</b>	<b>ASHWINI VERMA</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	Nil	Nil
	<b>At the end of the year</b>			<b>Nil</b>	<b>Nil</b>
<b>6</b>	<b>AMOGH KUMAR GUPTA</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	Nil	Nil
	<b>At the end of the year</b>			<b>Nil</b>	<b>Nil</b>
<b>7</b>	<b>SATISH CHANDRA PANDEY</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	Nil	Nil
	<b>At the end of the year</b>			<b>Nil</b>	<b>Nil</b>
<b>8</b>	<b>MALAY MUKHERJEE</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	Nil	Nil
	<b>At the end of the year</b>			<b>Nil</b>	<b>Nil</b>
<b>9</b>	<b>VIJAY CHHIBBER</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	Nil	Nil
	<b>At the end of the year</b>			<b>Nil</b>	<b>Nil</b>
<b>10.</b>	<b>RATNA DHARASHREE VISHWNATAHAN®</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	Nil	Nil
	<b>At the end of the year</b>			<b>Nil</b>	<b>Nil</b>
<b>11</b>	<b>VAIBHAVRAWAT*</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	Nil	Nil
	<b>At the end of the year</b>			<b>Nil</b>	<b>Nil</b>

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year i.e. 01- April-2018		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>12</b>	<b>ABHISHEK SHRIVASTAVA</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	Nil	Nil
	<b>At the end of the year</b>			<b>Nil</b>	<b>Nil</b>
<b>13</b>	<b>RAJA GHOSH #</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	Nil	Nil
	<b>At the end of the year</b>			<b>Nil</b>	<b>Nil</b>
<b>14</b>	<b>RADHEY SHYAM GARG \$</b>				
	At the beginning of the year	200	0.00	200	0.00
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	200	0.00
	<b>At the end of the year</b>			<b>200</b>	<b>0.00</b>

@ Appointed as an Additional Woman Director (Independent) w.e.f. 30.03.2019

\* Resigned as CFO w.e.f. May 15, 2018.

# Appointed as CFO (Interim) w.e.f. May 29, 2018 and resigned from the said post w.e.f. December 10, 2018.

\$ Appointed as CFO of the Company w.e.f. December 10, 2018 and further designated as President & CFO w.e.f. June 01, 2019.

**V. INDEBTEDNESS-Indebtedness of the Company including interest outstanding/accrued but not due for payment**  
(Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	29,11,08,47,706.74		-	29,41,24,86,859.24
		30,16,39,152.50		
ii) Interest due but not paid				
iii) Interest accrued but not due	14,83,51,187.14			14,83,51,187.14
<b>Total (i+ii+iii)</b>	<b>29,25,91,98,893.88</b>	<b>30,16,39,152.50</b>	<b>-</b>	<b>29,56,08,38,046.38</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	6,24,88,57,359.37	-	-	6,24,88,57,359.37
* Reduction				4,62,11,767.50
		4,62,11,767.50		
<b>Net Change</b>	<b>6,24,88,57,359.37</b>	<b>(4,62,11,767.50)</b>	<b>-</b>	<b>6,20,26,45,591.87</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	35,50,80,56,253.25		-	35,76,34,83,638.25
		25,54,27,385.00		
ii) Interest due but not paid				
iii) Interest accrued but not due	13,60,60,274.00			13,60,60,274.00
<b>Total (i+ii+iii)</b>	<b>35,64,41,16,527.25</b>	<b>25,54,27,385.00</b>	<b>-</b>	<b>35,89,95,43,912.25</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			(Amount in Rs.)
		Dilip Suryavanshi (Managing Director)	Seema Suryavanshi (Whole-time Director)	Devendra Jain (Whole-time Director & CEO)	Total Amount
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12,00,00,000	2,00,00,000	11,00,00,000	25,00,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	NIL	NIL	NIL	
3	Sweat Equity	NIL	NIL	NIL	
4	Commission				
	- as % of profit	4,00,00,000	-	7,00,00,000	11,00,00,000
	- others, specify...	0.50%		0.87%	1.37 %
5	Others, please specify	NIL	NIL	NIL	NIL
	<b>Total (A)</b>	<b>16,00,00,000</b>	<b>2,00,00,000</b>	<b>18,00,00,000</b>	<b>36,00,00,000</b>
	Ceiling as per the Act	Rs. 80,01,62,200/- (Being 10% of net profit of the Company calculated as per section 198 of Companies Act, 2013)			

**Note:** Total Remuneration paid to Mr. Devendra Jain as a Whole-time Director includes remuneration paid in the capacity of CEO also.

### B. Remuneration to other directors

S. No.	Particulars of Remuneration	Name of Directors							(Amount in Rs.)
		Aditya Vijay Singh	Ashwini Verma	Amogh Kumar Gupta	Satish Chandra Pandey	Vijay Chhibber	Malay Mukherjee	Ratna Dharashree Vishwanathan	Total Amount
1	Independent Directors								
	Fee for attending board committee meetings	2,40,000	4,00,000	4,00,000	3,55,000	2,00,000	2,50,000	25,000	18,70,000
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	<b>Total (1)</b>								
2	Other Non-Executive Directors	-	-	-	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-	-

Others, please specify	-	-	-	-	-	-	-	-
<b>Total (2)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>Total (B)=(1+2)</b>	<b>2,40,000</b>	<b>4,00,000</b>	<b>4,00,000</b>	<b>3,55,000</b>	<b>2,00,000</b>	<b>2,50,000</b>	<b>25,000</b>	<b>18,70,000</b>
<b>Ceiling as per the Act (1% of the Net Profit)</b>								<b>8,00,16,220</b>
<b>Total Managerial Remuneration (A)+(B)</b>								<b>36,18,70,000</b>
<b>Overall Ceiling as per the Act 11% of the Net Profit)</b>								<b>8,00,16,22,000</b>

#### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTB

S. No.	Particulars of Remuneration	Key Managerial Personnel				Total
		ABHISHEK SHRIVASTAVA CS	*VAIBHAV RAWAT CFO	\$RAJA GHOSH	#RADHEY SHYAM GARG	
<b>1</b>	<b>Gross salary</b>					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	28,23,758.00	7,56,241.94	25,30,968	17,59,274	78,70,241.94
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	32,400.00	-	32,400	10,800	75,600
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil		Nil
4	Commission				Nil	
	- as % of profit	Nil	Nil	Nil		Nil
	others,specify				Nil	
5	Others, please specify	Nil	Nil	Nil	Nil	Nil
	<b>Total</b>	<b>28,56,158</b>	<b>7,56,241.94</b>	<b>25,63,368</b>	<b>17,70,074</b>	<b>79,45,841.94</b>

\* Resigned as CFO w.e.f. May 15, 2018.

\$ Appointed as Interim CFO w.e.f. 29.05.2018 and resigned on 10.12.2018

# Appointed as CFO w.e.f. 10.12.2018 and further designated as 01.06.2019 President & Chief Financial Officer

**VII. PENALTY/PUNISHMENT/COMPOUNDING OF OFFENCES:** no punishment, or penalty or compounding fee was demanded/ordered or paid by the Company or any of its directors or the officer during the year under review.

**For and on behalf of the Board of Directors**

**DILIP BUILDCON LIMITED**

**DILIP SURYAVANSHI**  
**CHIRMAN & MANAGING DIRECTOR**  
**DIN: 00039944**

**DEVENDRA JAIN**  
**WHOLE-TIME DIRECTOR & CEO**  
**DIN: 02374610**

**Place: Bhopal**

**Date : August 05, 2019**

## ANNEXURE 4

### ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2018-19

[Pursuant to clause (o) of sub-section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1 Brief outline of the Company's CSR policy, projects and programs proposed to be undertaken with web-link to CSR policy and Projects or programs	<p>Dilip Buildcon Limited (herein after referred as "DBL") is committed to its stakeholders—government, investors, shareholders, associates, community, environment, employees and their families – to conduct its business in a responsible manner that creates a sustained positive impact. The policy is expected to serve the following purposes:-</p> <ol style="list-style-type: none"><li>1. To make significant addition for the upliftment of society so that the social community can be amplified.</li><li>2. To promote education &amp; empower women.</li><li>3. To uphold the values of good citizenship, through our own behaviour, and by influencing other organizations to behave in a similar way &amp; make a splendid remark in front of the society.</li><li>4. To promote good CSR and citizenship practices among our members, officers, associates and partner organizations; providing training and education where appropriate.</li><li>5. To oppose unethical business practices and exert pressure to ensure accountability of businesses, for their behaviours.</li><li>6. Build active and long term partnerships with the communities in which we operate to significantly improve social condition of the needy people.</li></ol> <p>The CSR activities covered the following area as per CSR Policy of the Company :-</p> <ol style="list-style-type: none"><li>1. Eradicating hunger, poverty and malnutrition, "promoting health care including preventive health care" and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;</li><li>2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;</li><li>3. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;</li><li>4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;</li><li>5. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries ; promotion and development of traditional arts and handicrafts;</li><li>6. Measures for the benefit of armed forces veterans, war widows and their dependents;</li><li>7. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;</li></ol>
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		<p>8. Contribution to the Prime Minister's Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Schedule Castes, the Schedule Tribes , other backward classes, minorities and women;</p> <p>9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;</p> <p>10. Rural development projects.</p> <p>11. Slum area development;</p> <p>12. Disaster management, including relief, rehabilitation and reconstruction activities.</p> <p>CSR Policy is stated at the Website: <a href="http://www.dilipbuildcon.com/wps/wcm/connect/abc3afe3-7462-4b3a-974a-5b4276d5d060/CSR+Policy-13-11-2018.pdf?MOD=AJPERES&amp;CONVERT_TO=url&amp;CACHEID=ROOTWORKSPACE-abc3afe3-7462-4b3a-974a-5b4276d5d060-mDM-N7-">http://www.dilipbuildcon.com/wps/wcm/connect/abc3afe3-7462-4b3a-974a-5b4276d5d060/CSR+Policy-13-11-2018.pdf?MOD=AJPERES&amp;CONVERT_TO=url&amp;CACHEID=ROOTWORKSPACE-abc3afe3-7462-4b3a-974a-5b4276d5d060-mDM-N7-</a></p>
2	Composition of the CSR Committee.	<p>CSR Committee consists of following members:</p> <p>i. Mr. Satish Chandra Pandey - Independent Director &amp; Chairman</p> <p>ii. Mr. Dilip Suryavanshi - Managing Director - Member</p> <p>iii. Mr. Devendra Jain - Whole-time Director &amp; CEO - Member</p> <p>iv. Mr. Ashwini Verma - Independent Director - Member</p> <p>v. Mr. Amogh Kumar Gupta - Independent Director - Member</p>
3	Average Net profits of the company for the last three Financial Years	Rs. 42,414.69 Lakhs
4	Prescribed CSR expenditure (Two percent of the amount in item no. 3 above)	Rs. 858.43 Lakhs
5	Details of CSR Spent during the financial year:	<p>(a) Total amount to be spent for the financial year 2018-19:- Rs. 858.43 Lakhs</p> <p>(b) Amount unspent for the financial year:- Rs. 750.49 Lakhs</p> <p>(c) Manner in which the amount spent during the financial year is detailed below:</p>

S. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) local area or other (2) specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (Rs. in Lakhs)	Amount spent on the projects or programs  Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads (Rs. in Lakhs)	Cumulative expenditure upto reporting period (Rs. in Lakhs)	Amount spent direct or through implementing agency
1	Promoting Health and preventive Care	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	Pan India	85.84	12.78	83.21	Both
2	Education	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Pan India	214.62	48.02	154.88	Both
3	Promoting Sports	Training to promote rural sports, nationally recognized sports, paralympic sports and olympic sports	Pan India	85.84	13.37	26.04	Both
5	Rural development Projects.	Rural Development projects and training centres.	Pan India	42.92	33.77	58.77	Both
<b>TOTAL AMOUNT SPENT</b>					<b>107.94</b>		
6	The Company could not spend the balance allocated amount as it could not identify the suitable projects for undertaking the social welfare activities.						
7	We hereby declare that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.						

**For and on behalf of  
Dilip Buildcon Limited**

**Satish Chandra Pandey**  
Chairman of the CSR Committee  
DIN: 07072768

**Dilip Suryavanshi**  
Chairman & Managing Director  
DIN:00039944

**Place: Bhopal**  
**Date: August 05, 2019**

## ANNEXURE 5

### NOMINATION AND REMUNERATION POLICY

Ref No	: DBL/HR/Nomination and Remuneration Policy/2019
Version	: 2.0
Effective Date	: 01.04.2019
Document Owner	: Dilip Buildcon Limited, Corporate Office, Bhopal HR Dept
Approved by	: Board of Directors of the Company on 30.03.2019

#### Objective

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013. The objective of this policy is to lay down a framework in relation to remuneration of directors, KMP's, and other employees. The Key objectives of the Committee include the following:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a directors and recommending to the Board a policy, relating to the remuneration of the directors, executive directors, key managerial personnel and other employees;
2. Formulating of criteria for evaluation of the independent directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who qualify to become directors or who may be appointed in senior management and to recommend to the Board for their appointment and removal;
5. specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
6. Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. recommend to the board, all remuneration, in whatever form, payable to senior management;
8. Analysing, monitoring and reviewing various human resource and compensation matters;
9. Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
10. Determining compensation levels payable to the key managerial personnel and other staff (as deemed necessary) which shall be market-related, usually consisting of a fixed and variable component;
11. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
12. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
13. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

#### NOMINATION & REMUNERATION POLICY

Dilip Buildcon Limited considers human resources as its invaluable assets. The Nomination and Remuneration Committee of the Company formulated "Nomination and Remuneration Policy" of Directors, Key Managerial Personnel (KMPs) and other employees as per the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 ("Listing Regulations"), as amended thereof from time to time.

#### Applicability

The Policy shall be applicable for recommendation of the appointment as well as change in remuneration of the following categories of the persons in the company:

- Directors (Executive and Non-Executive);
- Key Managerial Personnel; and
- Senior Management Personnel.

#### Nomination and Remuneration Committee

The Board of Directors of the Company constituted the committee to be known as the Nomination and Remuneration Committee (hereinafter referred as Committee) consisting of three or more non-executive directors out of which at least fifty present directors should be Independent Directors. The Chairperson of the Committee shall be an Independent Director.

The Nomination and Remuneration Committee shall meet at least once in a year."

Quorum for conducting the meeting of nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.

The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders' queries.

- (i) The Securities and Exchange Board of India (PIT) Regulations, 2018 as amended from time to time; or
  - (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
14. Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be complied by the Nomination and Remuneration Committee.

### **Definitions**

**“Act”** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

**“Board”** means Board of Directors of the Company.

**“Directors”** mean Directors of the Company.

**“Key Managerial Personnel”** means

- i. the Managing Director, or Chief Executive Officer or Manager and in their absence, a whole-time director
- ii. Chief Financial Officer;
- iii. Company Secretary;
- iv. Such other Officer as may be prescribed.

**“Senior Management”** shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

### **Policy for Appointment and Removal of Directors, KMP's and Senior Management**

#### **1. General**

- a) Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

- c) The Company shall not appoint or continue the employment of any person as Managing Director or Whole- time Director who has attained the age of seventy years and the non-executive directors who has attained the age of 75 years. Provided that the term of the person holding this position may be extended beyond the age of seventy/seventy five years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy/seventy five years.

- d) A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Director of Dilip Buildcon Limited.

#### **2. Term / Tenure**

##### **a) Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

##### **b) Independent Director:**

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

- No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and

three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

### 3. Evaluation of performance

The Committee will make recommendations to the Board on appropriate performance criteria for the Directors. Also it will formulate the criteria and framework for evaluation of performance of every director on the Board of the Company, Senior Management Personnel at regular intervals (yearly).

### 4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

### 5. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## Policy on Remuneration of Directors, KMP's and Senior Management

### 1. Remuneration of Managing Director/Whole-time Director, KMP and Senior Managerial Personnel

The Remuneration/ Compensation/ Commission etc. to Directors will be determined by the committee and recommended to the Board for approval.

The Remuneration/ Compensation/ Commission etc. to be paid to Director /Managing Director etc. shall be governed as per provisions of the Companies Act, 2013, rules made there under and/or any other enactment for the time being in force and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended thereof from time to time .

### 2. Remuneration to Non- Executive / Independent Director:

The Non-Executive Independent Director may receive remuneration / compensation /commission as per the provisions of Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended thereof from time to time. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

### 3. Remuneration to KMP (except MD/WTM) and Senior Management Personnel:

- The remuneration for KMP (except WTD/MD) and Senior Management Personnel is determined on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and market conditions.
- The various remuneration components, basic salary, allowances, perquisites etc. may be combined to ensure an appropriate and balanced remuneration package.
- The annual increments to the remuneration paid to KMP (except MD/WTM) and Senior Management Personnel shall be determined based on their performance as reviewed by the committee.

### Duties of Committee relating to Nomination

The duties of the Committee in relation to nomination matters include:

- Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- Identifying and recommending Directors who are to be put forward for retirement by rotation;
- Determining the appropriate size, diversity and composition of the Board;
- Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

- viii. Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- ix. Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- x. Recommend any necessary changes to the Board; and
- xi. Considering any other matters, as may be requested by the Board.
- ii. to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- iii. to delegate any of its powers to one or more of its members or the Secretary of the Committee.
- iv. to consider any other matters as may be requested by the Board.
- v. Professional indemnity and liability insurance for Directors and senior management.

#### **Duties of Committee relating to Remuneration**

Duties of the Committee in relation to remuneration matters include:

- i. to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

#### **Review**

- i. The Nomination and Remuneration Committee or the Board may review the Policy as and when it deems necessary.
- ii. The Nomination and Remuneration Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.
- ii. This Policy may be amended or substituted by the Nomination and Remuneration Committee or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

## ANNEXURE-6

### Particulars of contracts/arrangements entered into by the company with related parties as on March 31, 2019

#### Form 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's length transactions under third proviso thereto.

#### 1. Details of contracts or arrangements or transactions not at arm's length basis

S. No	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
-	Nil	NA	NA	NA	NA	NA	NA	NA

#### 2. Details of material contracts or arrangement or transactions at arm's length basis

S. No	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any (Rs. In Lakhs)
1	DBL Rewa Sidhi Highways Private Limited (DRSHPL)  Relationship :- Wholly Owned Subsidiary of Dilip Buildcon Limited	EPC Agreement	The contract shall remain in force w.e.f. 19.10.2018 and shall remain in force and effect either till the end of receipts of Bonus, Change in law amount, Change in scope amount or termination date.	<b>EPC contract date :-</b> 19.10.2018  <b>Amount of contract:-</b> Rs. 677.96 Crores (Rupees Six Hundred and Seventy Seven Crores and Ninety Six Lacs only) is exclusive of price escalation if any.  <b>Mobilisation advance:</b> DRSHPL shall at the request of EPC contractor i.e DBL make available to the Dilip Buildcon Limited, interest free advance payment upto 7.5 % of the bid project cost as at the date of this EPC agreement .  Deduction of the aforesaid advance would be recovered in such a manner that the recovery would start once the progress of the work has reached 20 % and full recovery when the progress has reached 90 % of the work done.  <b>Material advance :-</b> Non Perishable materials brought to site – 75 % of invoice value of the materials shall be payable.		15765.70

				<p><b>Bonus:-</b> DRSHPL shall transfer the whole amount of bonus received from NHAI to Dilip Buildcon Limited on early completion of project.</p> <p><b>Insurance:</b> All required insurance during the construction period shall be arranged and borne by SPV.</p> <p><b>Time schedule:</b> Dilip Buildcon Limited shall complete work/achieve COD within the time period as permitted in concession agreement .</p>		
2.	<p>DBL Byrapura Challakere Highways Private Limited (DBCHPL)</p> <p>Relationship :- Wholly Owned Subsidiary of Dilip Buildcon Limited</p>	EPC Agreement	<p>This contract shall come into force w.e.f 14.11.2018 and shall remain in force and effect till the end of receipts of Bonus, change in law amount, change in scope amount or the termination date.</p>	<p><b>EPC Contract date:-</b> 14.11.2018</p> <p><b>Amount of EPC contract:-</b>Rs. 590.43 Cr. (Rupees Five Hundred Ninety Crores and Forty Three Lakhs only) is exclusive of price escalation if any.</p> <p><b>Mobilisation advance:</b> MA equal to 11.50 % of the EPC cost within 15 days from signing this agreement, Bid project cost means higher of Bid project cost or Adjusted bid project cost as defined in article 23 of concession agreement .</p> <p>Mobilisation advance shall get fully deducted on or before completion of 75 % of EPC works.</p> <p>Interest on MA shall be paid by the company (SPV) to NHAI and same be recovered from DBL on back to back basis.</p> <p><b>Material advance:-</b> Non Perishable materials brought to site – 75 % of invoice value of the materials shall be payable.</p> <p><b>Bonus:-</b> DBCHPL shall transfer the whole amount of bonus received from NHAI to Dilip Buildcon Limited on account of early completion of project.</p>	15.05.2018	-
				<p><b>Insurance:-</b> All required insurance during the construction period shall be arranged and borne by SPV.</p> <p><b>Time schedule:-</b> Dilip Buildcon Limited shall complete work/achieve COD within the time period as permitted in concession agreement .</p>		

3.	DBL Anandapuram Anakapalli Highways Private Limited (DAAHPL)  Relationship :- Wholly Owned Subsidiary of Dilip Buildcon Limited	EPC Agreement	This contract shall come into force w.e.f 14.11.2018 and shall remain in force and effect till the end of receipts of Bonus, change in law amount, change in scope amount or the termination date.	<p><b>EPC contract date :-</b> 14.11.2018 Amount of EPC contract:-Rs. 1540.05 Crores (Rupees One Thousand five Hundred and Forty crores and Five lacs only) is exclusive of price escalation if any. Mobilisation advance:  MA equal to 11.50 % of the EPC Cost within 15 days from signing this agreement, bid project cost or adjusted and project cost as defined in article 23 of concession agreement .</p> <p>Mobilisation advance shall be Deductible from payment of bill raised by Dilip Buildcon Limited on SPV .</p> <p>The deduction shall start after completion of 10% EPC work and shall be fully deducted up to completion of 75% of EPC work.</p> <p>Interest on MA shall be paid by the company (SPV) to NHAI and same be recovered from DBL on back to back basis.</p> <p><b>Material advance :-</b> Non Perishable materials brought to site – 75 % of invoice value of the materials shall be payable.</p> <p><b>Bonus:-</b> DAAHPL shall transfer the whole amount of bonus received from NHAI to Dilip Buildcon Limited on early completion of project.</p> <p><b>Insurance:</b> All required insurance during the construction period shall be arranged and borne by SPV.</p> <p><b>Time schedule:</b> Dilip Buildcon Limited shall complete work/achieve COD within the time period as permitted in concession agreement.</p>	15.05.2018	15765.70
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4.	<p>DBL Chandikhole Bhadrak Highways Private Limited (DCBHPL)</p> <p>Relationship :- Wholly Owned Subsidiary of Dilip Buildcon Limited</p> <p>Limited (DCBHPL)</p>	EPC Agreement	<p>This contract shall come into force w.e.f 16.12.2018 and shall remain in force and effect till the end of receipts of Bonus, change in law amount, change in scope amount or the termination date.</p>	<p><b>EPC Contract date:-</b> 16.12.2018.</p> <p>Amount of EPC contract:-Rs. 1115.19 Cr. (Rupees One Thousand One Hundred Fifteen crores and Nineteen lakhs only) is exclusive of price escalation if any.</p> <p>Mobilisation advance:</p> <p>MA equal to 10 % of the Bid Project cost post issuance of Appointed date by the NHAI shall be payable to the Dilip Buildcon Limited.</p> <p>Mobilisation advance deduction shall commence after completion of 20 % EPC works and shall be deducted in full on or before completion of 75 % of EPC works .</p> <p>Interest on MA shall be paid by the company (SPV) to NHAI and same be recovered from DBL on back to back basis.</p> <p><b>Material advance:-</b> Non Perishable materials brought to site – 75 % of invoice value of the materials shall be payable.</p> <p><b>Bonus:-</b> DCBHPL shall transfer the whole amount of bonus received from NHAI to Dilip Buildcon Limited on early completion of project.</p> <p><b>Insurance:</b> All required insurance during the construction period shall be arranged and borne by SPV.</p> <p><b>Time schedule:</b> Dilip Buildcon Limited shall complete work/achieve COD within the time period as permitted in concession agreement.</p>	15.05.2018	15220.00
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5.	DBL Sangli-Borgaon Highways Private Limited (DSBHPL)  Relationship :- Wholly Owned Subsidiary of Dilip Buildcon Limited	EPC Agreement	This contract shall come into force w.e.f 01.02.2019 and shall remain in force and effect till the end of receipts of Bonus, change in law amount, change in scope amount or the termination date.	<p><b>EPC contract date:-</b> 01.02.2019.</p> <p><b>Amount of EPC contract:-</b>Rs.805.25 Crores (Rupees Eight Hundred Five Crores and Twenty Five Lacs only) is exclusive of price escalation if any.</p> <p><b>Mobilisation advance (MA):</b> MA equal to 10 % of Bid Project Cost post issuance of appointed date by the NHAI shall be payable to the DBL.</p> <p>MA deduction shall commence after completion of 20 % EPC works and shall be deducted in full on or before completion of 75 % of EPC works . Interest on MA shall be paid by the DSBHPL to NHAI and the same be recovered from DBL on back to back basis.</p> <p><b>Material advance :-</b> Non Perishable materials brought to site – 75 % of invoice value of the materials shall be payable.</p> <p><b>Bonus:-</b> DSBHPL shall transfer the whole amount of bonus received from NHAI to Dilip Buildcon Limited on early completion of project.</p> <p><b>Insurance :</b> All required insurance during the construction period shall be arrange and borne by SPV.</p> <p><b>Time schedule:</b> Dilip Buildcon Limited shall complete work/achieve COD within the time period as permitted in concession agreement .</p>	15.05.2018	-
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6.	DBL Bargaon-Watambare Highways Private Limited (DBWHPL) Relationship :- Wholly Owned Subsidiary of Dilip Buildcon Limited	EPC Agreement	This contract shall come into force w.e.f 21.02.2019 and shall remain in force and effect till the end of receipts of Bonus, change in law amount, change in scope amount or the termination date.	<p><b>EPC contract date:-</b> 21.02.2019. Amount of EPC contract:-Rs. 754.95 Crores (Rupees Seven hundred Fifty Four Crores and Ninety Five Lacs only) which is exclusive of price escalation, if any.</p> <p><b>Mobilisation advance:</b> MA equal to 11.50 % of the EPC Cost within 15 days from signing this agreement, bid project cost or adjusted and project cost as defined in article 23 of concession agreement .</p> <p>Mobilisation advance shall be Deductible from payment of bill raised by Dilip Buildcon Limited on SPV.</p> <p>The deduction shall commence after completion of 20% EPC works and shall be deducted in full on or before completion of 75% of EPC work.</p> <p>Interest on MA shall be paid by the company (SPV) to NHAI and same be recovered from DBL on back to back basis.</p> <p><b>Material advance:-</b> Non Perishable materials brought to site – 75 % of invoice value of the materials shall be payable.</p> <p><b>Bonus:-</b> DBWHPL shall transfer the whole amount of bonus received from NHAI to Dilip Buildcon Limited on early completion of project.</p> <p><b>Insurance:</b> All required insurance during the construction period shall be arranged and borne by SPV.</p> <p><b>Time schedule:</b> Dilip Buildcon Limited shall complete work/achieve COD within the time period as permitted in Concession Agreement</p>	15.05.2018	-
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7.	DBL Mangalwedha Solapur Highways Private Limited (DMSHPL) Relationship :- Wholly Owned Subsidiary of Dilip Buildcon Limited	EPC Agreement	This contract shall come into force w.e.f 21.02.2019 and shall remain in force and effect till the end of receipts of Bonus, change in law amount, change in scope amount or the termination date.	<p><b>EPC contract date:-</b> 21.02.2019. Amount of EPC contract:-Rs. 831.35 Crores (Rupees Eight Hundred Thirty One Crores and Thirty Five Lacs only) which is exclusive of price escalation, if any.</p> <p><b>Mobilisation advance:</b> MA equal to 10 % of the Bid Project cost post issuance of Appointed date by the NHAI shall be payable to the Dilip Buildcon Limited.</p> <p>Mobilisation advance shall be Deductible from payment of bill raised by Dilip Buildcon Limited on SPV.</p> <p>The deduction shall commence after completion of 20% EPC works and shall be deducted in full on or before completion of 75% of EPC work. Interest on MA shall be paid by the company (SPV) to NHAI and same be recovered from DBL on back to back basis.</p> <p><b>Material advance:-</b> Non Perishable materials brought to site – 75 % of invoice value of the materials shall be payable.</p> <p><b>Bonus:-</b> DMSHPL shall transfer the whole amount of bonus received from NHAI to Dilip Buildcon Limited on early completion of project.</p> <p><b>Insurance:</b> All required insurance during the construction period shall be arrange and borne by SPV.</p> <p><b>Time schedule:</b> Dilip Buildcon Limited shall complete work/achieve COD within the time period as permitted in Concession Agreement.</p>	15.05.2018	-
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8.	DBL Bangalore Nidagatta Highways Private Limited (DBNHPL) Relationship : Wholly Owned Subsidiary of Dilip Buildcon Limited	EPC Agreement	This contract shall come into force w.e.f 29.03.2019 and shall remain in force and effect till the end of receipts of Bonus, change in law amount, change in scope amount or the termination date.	<p><b>EPC Contract date:-</b> 29.03.2019. Amount of EPC contract:-Rs. 1684.93 Crores (Rupees One Thousand six hundred and Eighty four crores and Ninety Three lacs only) is exclusive of price escalation if any.</p> <p><b>Mobilisation advance:</b> MA equal to 10 % of bid project cost post issuance of appointed date by the authority shall be payable by the Company to Dilip Buildcon Limited .</p> <p>Mobilisation advance shall get fully deducted on or before completion of 75 % of EPC works .</p> <p>Interest on MA shall be paid by the company (SPV) to NHAI and same be recovered from DBL on back to back basis.</p> <p><b>Material advance :-</b> Non Perishable materials brought to site – 75 % of invoice value of the materials shall be payable.</p> <p><b>Bonus:-</b> DBNHPL shall transfer the whole amount of bonus received from NHAI to Dilip Buildcon Limited on account of early completion of project.</p> <p><b>Insurance:</b> All required insurance during the construction period shall be arranged and borne by SPV.</p> <p><b>Time schedule:</b> Dilip Buildcon Limited shall complete work/achieve COD within the time period as permitted in concession agreement .</p>	15.05.2018
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9.	DBL Nidagatta Mysore Highways Private Limited. Relationship :- Wholly Owned Subsidiary of Dilip Buildcon Limited	EPC Agreement	This contract shall come into force w.e.f 29.03.2019 and shall remain in force and effect till the end of receipts of Bonus, change in law amount, change in scope amount or the termination date.	<p><b>EPC Contract date:-</b> 29.03.2019 Amount of EPC contract:-Rs. 1758.16/- (Rupees One Thousand Seven hundred and fifty Eight crores and Sixteen lacs only) is exclusive of price escalation if any.</p> <p><b>Mobilisation advance:</b> MA equal to 10 % of bid project cost post issuance of appointed date by the authority shall be payable by the Company to Dilip Buildcon Limited .</p> <p>Mobilisation advance shall get fully deducted on or before completion of 75 % of EPC works.</p> <p>Interest on MA shall be paid by the company (SPV) to NHAI and same be recovered from DBL on back to back basis.</p> <p><b>Material advance:-</b> Non Perishable materials brought to site – 75 % of invoice value of the materials shall be payable.</p> <p><b>Bonus:-</b> DNMHPL shall transfer the whole amount of bonus received from NHAI to Dilip Buildcon Limited on account of early completion of project.</p> <p><b>Insurance:</b> All required insurance during the construction period shall be arranged and borne by SPV.</p> <p><b>Time schedule:</b> Dilip Buildcon Limited shall complete work/achieve COD within the time period as permitted in concession agreement .</p>	15.05.2018	-
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**For and on behalf of  
Dilip Buildcon Limited**

**Dilip Suryavanshi**  
Chairman & Managing Director  
DIN:00039944

**Devendra Jain**  
Whole Time Director & CEO  
DIN:02374610

**Place: Bhopal**  
**Date: August 05, 2019**

## ANNEXURE-7

### DETAILS OF REMUNERATION

{Details pertaining to remuneration as required under section 197(12) read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2018-19 are as under:

**TABLE I**

Sr. No.	Name of Director/KMP	Designation	Remuneration of Director/KMP for the Financial Year 2018-19 (In Rs.)	% increase in Remuneration in the Financial Year 2018-19	Ratio of Remuneration of each Director to median remuneration
A	B	C	D	E	F
1	Mr. Dilip Suryavanshi	Managing Director	16,00,00,000	0%	689.19
2	Mrs. Seema Suryavanshi	Whole-time Director	2,00,00,000	0%	86.15
3	Mr. Devendra Jain	Whole-time Director & CEO	18,00,00,000	0%	775.34
4	Mr. Aditya Vijay Singh	Independent Director	2,40,000	380%	NA
5	Mr. Satish Chandra Pandey	Independent Director	3,55,000	184%	NA
6	Mr. Vijay Chhibber	Independent Director	2,00,000	900%	NA
7	Mr. Ashwini Verma	Independent Director	4,00,000	196%	NA
8	Mr. Amogh Kumar Gupta	Independent Director	4,00,000	196%	NA
9	Mr. Malay Mukherjee	Independent Director	2,50,000	2400% <sup>5</sup>	NA
10	Ms. Ratna Dharashree Vishwanathan <sup>1</sup>	Additional Independent Director	25,000	NA	NA
11	Mr. Vaibhav Rawat <sup>2</sup>	Chief Financial Officer	7,56,242	(86.23%)	3.25
12	Mr. Raja Ghosh <sup>3</sup>	Chief Financial Officer	NA	NA	NA
13	Mr. Radhey Shyam Garg <sup>4</sup>	Chief Financial Officer	12,94,737	NA	5.57
14	Mr. Abhishek Shrivastava	Company Secretary	27,63,139	17.16%	11.90

<sup>1</sup> Appointed as an Independent Women Director (Additional) w.e.f. March 30, 2019 and there is no data available for doing the comparison with the previous year 2017-18. Hence, the remuneration is NA.

<sup>2</sup> Resigned as CFO w.e.f. May 15, 2018

<sup>3</sup> Appointed as CFO w.e.f. May 29, 2018 and resigned w.e.f. December 10, 2018. But he did not withdraw salary in the capacity of CFO.

<sup>4</sup> Appointed as CFO w.e.f. December 10, 2018 and further designated as President & CFO w.e.f. June 01, 2019.

<sup>5</sup> Mr. Malay Mukherjee has been appointed as an Independent Director of the Company w.e.f. February 13, 2018.

#### 1. The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year: -

The median remuneration of employees of the Company during the Financial Year was Rs. 232,155.50/- per annum and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year is provided in the column F of table I given above.

Independent Directors were paid only sitting fees during the financial year under review. Hence, their ratio to

Median Remuneration has been shown as Not Applicable. The percentage increase in their remuneration is based on their attendance in the Board and Committee Meetings held during the financial year.

**2. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;**

Details provided in the column E of table I given above.

**3. The percentage increase in the median remuneration of Employees in the financial year 2018-19:**

The median remuneration of employees of the Company during the Financial Year was Rs. 232,155.50/- per annum as compare to previous year where the median remuneration of employee was Rs. 197,174.50/- per annum.

Hence there is increase of 17.741% in the median remuneration of employees as compared to previous financial year 2017-18.

Further, during the financial year 2018-19, Company has appointed 22429 new employees during the year and the remuneration of the new employees cannot be comparable with the employees worked in previous year 2017-18. Hence, we have taken the data of only those employees who worked in both the financial years' i.e. 2017-18 and 2018-19 for the calculation of the median remuneration of employees.

**4. The number of permanent Employees on the rolls of the Company as on March 31, 2019:**

The number of permanent Employees on the rolls of the Company as on March 31, 2019 is 35153.

**5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;**

There is an increase of 15.138% in average salary of employees other than the managerial personnel during the financial year as compared to previous year, while 0% increase in average salary of managerial personnel during the financial year as compared to previous year.

**6. Affirmation that the remuneration is as per the remuneration policy of the Company:**

It is hereby affirmed that the remuneration paid is as per the Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees.

## PARTICULARS OF EMPLOYEES

Statement as per provisions of sec 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### a) Disclosure of Top ten employees in terms of remuneration drawn and the Employees, employed throughout the financial year and in receipt of remuneration of ₹102 lakh or more per annum or Rs. 8.5 Lakhs per Month:

S. No	Employee Name	Designation, nature of employment	Educational Qualification	Age (years)	Experience	Date of Joining	Remuneration paid (Rs.)	Previous employer	Relation with Director or manager if any
1.	Dilip Suryavanshi	Managing Director	B.E. (Civil)	61	35 years	12.06.2006	16,00,00,000	-	Husband of Seema Suryavanshi - whole time director
2.	Devendra Jain	Whole time Director and CEO	B.E. (Civil)	44	20 years	01.04.2009	18,00,00,000	Mahatma Gandhi College (he was an assistant professor at Mahatma Gandhi College)	-
3.	Seema Suryavanshi	Whole time Director	BA (Honours)	56	20 years	12.06.2006	2,00,00,000	-	Wife of Dilip Suryavanshi - Managing Director
4.	Rohan Suryavanshi	Head-Strategy & Planning,	MBA	32	5 years	01.04.2014	1,22,00,000	-	Son of Dilip Suryavanshi and Seema Suryavanshi Directors of the Company
5.	Karan Suryavanshi	Head- Business Development	BBA	29	8 years	01.04.2010	97,60,000	-	Son of Dilip Suryavanshi and Seema Suryavanshi Directors of the Company
6.	Bharat Singh	President	Intermediate	59	35 years	12.06.2006	84,00,000	He joined M/s. Dilip Builders in 1988-1989, which was acquired by our Company.	-
7.	Atul Joshi	Associate Vice President	DIP-CIVIL	52	30 years	25.03.2010	57,00,000	GAYATRI BCBPPL (JV) (2008-2010)	-
8.	Shankar Palaniappan	Project Head-Structure	B.E. Civil & Structure	51	30 years	16.09.2016	51,81,618	VSL India Private Limited	-
9.	Raja Ghosh#	Chief Financial Officer	MBA (Corporate Finance Management) CA Inter, CWA Inter	44	20 years	01.08.2003	50,55,400	Raja Ghosh & Associates	-
10.	Arun Kumar K	Associate Vice President	BE (Civil)	46	23 years	19.08.2015	47,12,380	Reliance Infrastructure Limited	-

# Mr. Raja Ghosh has been appointed as Chief Financial Officer w.e.f. May 29, 2018 and has resigned from the post of CFO w.e.f. December 10, 2018. However, he drawn the remuneration during the financial year at the designation of General Manager-Finance & Accounts.

### b) Employees employed for part of the year and in receipt of ₹ 8.5 lakh or more a month:

None of the employee was in receipt of remuneration amounting to Rs. 8.5 Lakhs per month or more for part of the year.

**c) Employees employed throughout the financial year or part thereof:**

There are no Employees employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and who holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

**For and on behalf of  
Dilip Buildcon Limited**

**Dilip Suryavanshi**  
**Managing Director**  
**DIN: 00039944**

**Devendra Jain**  
**Whole-time Director & CEO**  
**DIN:02374610**

**Place: Bhopal**  
**Date: August 05, 2019**

# CORPORATE GOVERNANCE REPORT

Your Company Dilip Buildcon Limited (DBL) is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI). The Report on Corporate Governance as stipulated under the SEBI (LODR) Regulations, 2015 forms an integral part of Board's Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to this report.

Corporate Governance is a set of principles, processes and systems which govern a company. The elements of Corporate Governance are independence, transparency, accountability, responsibility, compliance, ethics, values and trust. Corporate Governance enables an organization to perform efficiently and ethically generate long term wealth and create value for all its stakeholders.

The Company believes that sound Corporate Governance is critical for enhancing and retaining investor trust and your Company always seeks to ensure that its performance goals are met accordingly. The Company has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to fulfill its overall responsibilities and to provide management with the strategic direction needed to create long term shareholders value. The Company has adopted many ethical and transparent governance practices even before they were mandated by law. The Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate governance.

## STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Fundamentals of Corporate Governance includes transparency, accountability and independence. At Dilip Buildcon Limited, we feel proud to be a part of an organisation whose foundation stone was laid down for good governance which eventually became an integral principle of the business, as demonstrated in the words above. To succeed, we believe, requires highest standards of corporate behaviour towards everyone we work with, the communities we touch and the environment on which we have an impact.

Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. The objective is to meet stakeholders' aspirations and societal expectations. Good governance practices stem from the dynamic culture and positive mind set of the organization. We are committed to meet the aspirations of all our stakeholders. This is demonstrated in

shareholder returns, high credit ratings, governance processes and an entrepreneurial performance focused work environment. The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher echelons. The demands of Corporate Governance require professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. It has thus become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the complex inter-relationship among the Board of Directors, Audit Committee, Finance, Compliance, Auditors and the Senior Management

We believe, Corporate Governance is not just a destination but a journey to constantly improve sustainable value creation.

## APPROPRIATE GOVERNANCE STRUCTURE WITH DEFINED ROLES AND RESPONSIBILITIES

The Company has put in place an internal governance structure with defined roles and responsibilities of every constituent of the system. The Company's shareholders appoint the Board of Directors, which in turn governs the Company. The Board has established 11 (Eleven) Committees to discharge its responsibilities in an effective manner. DBL's Company Secretary acts as the Secretary to all the Committees of the Board. The Chairman and Managing Director (CMD) and the Whole-time Directors provide overall direction and guidance to the Board. In the operations and functioning of the Company, they are assisted by a core group of senior level executives.

In accordance with the requirement of Regulation 27(2) of SEBI (LODR) Regulations, 2015, the company submits to the stock exchanges a quarterly compliance report on Corporate Governance in the prescribed format within fifteen days from the close of the quarter. The said report is either signed by Compliance Officer or the Chief Executive Officer of the Company.

## BOARD LEADERSHIP

It is our belief that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests. It is committed to the goal of sustainably elevating the Company's value creation. The Company has defined guidelines and an established framework for the meetings of the Board and Committees. These guidelines seek to systematize the decision-making process at the meeting of the Board and Committees in an informed and efficient manner. The Board critically evaluates the Company's strategic direction, management policies and its effectiveness. The agenda for the Board reviews including

strategic review from each of the committees, a detailed analysis and review of annual strategic and operating plans and capital allocation and budgets.

Additionally, the Board reviews related party transactions, possible risks and risk mitigation measures. Frequent and detailed interaction sets the agenda and provides the strategic roadmap for the Company's future growth.

## ETHICS/GOVERNANCE POLICIES

We strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies which are also available on the Company's website: [www.dilipbuildcon.com](http://www.dilipbuildcon.com) are as under:

- Code of Conduct for Board of Directors and Senior Management;
- Code of Conduct for Prohibition of Insider Trading;
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI);
- Vigil Mechanism/Whistle Blower Policy;
- Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions;
- Corporate Social Responsibility (CSR) Policy;
- Nomination and Remuneration Policy for Directors, KMP and other employees;
- Policy on Orderly Succession for Appointments to the Board and Senior Management;
- Policy for determining Material Subsidiaries;
- Risk Assessment and Management Policy;
- Policy for determination of materiality of events or information for disclosure;
- Dividend Distribution Policy;
- Policy for preservation of documents and archival of documents;
- Policy for Directors' Familiarization Programme;
- Criteria of making payments to Non-Executive Directors;
- Group Governance Policy;
- Policy for Procedure of Inquiry in case of Leak of Unpublished Price Sensitive Information;
- Code of Conduct for employees;
- Policy on Board Diversity;
- Policy on public advocacy.

## AUDITS, INTERNAL CHECKS AND BALANCES

M/s Mukund M. Chitale & Co, Chartered Accountants, Mumbai and M/s MSG & Associates, Chartered Accountants, Bhopal are

the Joint Statutory Auditors of the Company. The Company has appointed an external firm to act as internal auditors that reviews internal controls, operating systems and procedures. A dedicated Legal Compliance Cell ensures that the Company conducts its businesses with high standards of legal, statutory and regulatory compliances.

## MANAGEMENT INITIATIVES FOR CONTROLS AND COMPLIANCES

The Company has implemented the SAP HANA – ERP for its common database, Central Repository, Real-Time Procure to Pay, Strong Financial Tracking, Supply Chain, Fleet Movement & Maintenance, Project Planning, Execution, Monitoring & Control, Client Billing, Payroll & Resource Management for HR, Production of processed material like WMM, HMP, Concrete, etc, Document Management System for Statutory requirement. SAP has given us the integrated Business Operations Platform covering all our functions & departments to execute our Projects and provided the tight checks & control in Procurement, Payment, Billing, Finance & Accounting. This automation & error free environment has resulted the accuracy & efficiency in our work. This has totally removed the duplicity of work and data. SAP ERP will incorporate an integrated framework for managing risks and internal controls. The internal financial controls will be documented, embedded and digitized in the business processes.

## BEST CORPORATE GOVERNANCE PRACTICES

The Company maintains the highest standards of Corporate Governance. It is the Company's constant endeavour to adopt the best Corporate Governance Practices. For best Corporate Governance, the Company has independent Board Committees for matters related to Audit, Risk Management, stakeholders' interface, CSR, Monitoring Subsidiaries Performance and nomination of Board members. The Company's internal audit is also conducted by independent Chartered Accountant Firm. The Company also undergoes secretarial audit conducted by an independent Company Secretary who is in whole-time practice. The Secretarial Audit Report for Financial Year 2018-19 placed before the Board, is included as Annexure 3 in the Annual Report.

## BUSINESS RESPONSIBILITY REPORT

As stipulated under the Listing Regulations, the Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective is attached as part of Annual Report.

## SHAREHOLDERS COMMUNICATIONS

The Company recognizes the importance of two-way communication by giving a balanced report of results & progress

and responding to questions & issues raised by shareholders, in a timely and consistent manner. DBL's corporate website ([www.dilipbuildcon.com](http://www.dilipbuildcon.com)) contains adequate information for its Shareholders.

Shareholders seeking information related to their shareholding may contact the Company directly or through Company's Registrar and Transfer Agent, details of which are available on the Company's website. DBL ensures that complaints and suggestions of its shareholders are responded to in a timely manner. A comprehensive and informative shareholders' reference is appended to this Annual Report highlighting shares related information towards knowledge sharing.

#### **ROLE OF THE COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS**

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information's, details and documents are made available to the Directors for effective decision- making at the

meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide assistance to directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

#### **BOARD OF DIRECTORS**

##### **A) Board Composition and Category of Directors**

- The composition of the Board is in conformity with Regulation 17 of the SEBI (LODR) Regulations, 2015, as amended thereof from time to time, read with Section 149 of the Companies Act, 2013. The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors with at least one Independent Women Director. As on March 31, 2019, the Company has Ten Directors. Out of the Ten Directors, seven are Non-Executive Independent Directors which also includes Woman Director. The composition of the Board and category of Directors as on March 31, 2019 are as follows:

Category	Name of Directors
Executive Directors (Promoters)	1. Mr. Dilip Suryavanshi-Chairman and Managing Director 2. Mrs. Seema Suryavanshi-Executive Director 3. Mr. Devendra Jain- Executive Director & CEO
Non-Executive and Non- Independent Director	Nil
Non-Executive and Independent Directors	4. Mr. Aditya Vijay Singh. 5. Mr. Satish Chandra Pandey. 6. Mr. Ashwini Verma. 7. Mr. Amogh Kumar Gupta . 8. Mr. Vijay Chhibber. 9. Mr. Malay Mukherjee . *10. Ms. Ratna Dharashree Vishwanathan

\* Appointed as an Additional Woman Director in the category of Independent Director w.e.f. March 30, 2019.

- None of the directors are related to each other on the Board except Mr. Dilip Suryavanshi and Mrs. Seema Suryavanshi who are spouse.
- None of the Directors on the Board hold directorships in more than eight listed entities and serve as an independent director in more than seven listed entities.
- None of the Directors on the Board hold directorships in more than ten Public Companies. Further, none of them is a member of more than ten committees or act as a Chairman of more than five committees across all the public companies in which they are Director. Necessary disclosures regarding Committee positions in other Public Companies as on March 31, 2019 have been made by the Directors.
- The names and categories of the Directors on the Board and the number of Directorships and Committee Chairmanships/ Memberships held by them in other Public Companies as on March 31, 2019 are given herein below. Other directorships do not include directorships of Private Limited Companies, Foreign Companies and Companies under Section 8 of the Act. Chairmanships/Memberships of Board Committees shall only include Audit Committee and Stakeholders' Relationship Committee.

S. No.	Name of the Directors	Age	Listed entities		Number of Directorships in other Public Companies\$	Number of Membership(s) / Chairmanship(s) of Board Committees in other Public Companies#
			Category	Name of Indian Listed entities		
1.	Dilip Suryavanshi	62	Chairman & Managing Director (Executive)	Dilip Buildcon Limited	5	1
2.	Seema Suryavanshi	56	Whole-time Director (Executive)	Dilip Buildcon Limited	4	3
3.	Devendra Jain	45	Whole-time Director & CEO (Executive)	Dilip Buildcon Limited	1	Nil
4.	Aditya Vijay Singh	74	Independent Director (Non Executive)	Dilip Buildcon Limited	Nil	Nil
5.	Ashwini Verma	48	Independent Director (Non Executive)	Dilip Buildcon Limited	7	7 (including 3 as Chairman)
6.	Amogh Kumar Gupta	57	Independent Director (Non Executive)	Dilip Buildcon Limited	6	5 (including 3 as Chairman)
7.	Satish Chandra Pandey	79	Independent Director (Non Executive)	Dilip Buildcon Limited	Nil	Nil
8.	Vijay Chhibber	63	Independent Director (Non Executive)	1. Dilip Buildcon Limited	3	Nil
			Independent Director (Non Executive)	2. Century Plyboards (India) Ltd.		
9.	Malay Mukherjee	63	Independent Director (Non Executive)	1. Dilip Buildcon Limited	2	1
			Independent Director (Non Executive)	2. SREI Infrastructure Finance Limited		
10.	Ratna Dharashree Vishwanathan*	56	Additional Woman Independent Director (Non Executive)	1. Dilip Buildcon Limited	1	2
			Additional Director- Independent Director (Non Executive)	2. Moneyboxx Finance Limited		

\$ Excludes Private Limited Companies (including subsidiary of Public Companies), Foreign Companies and Companies registered under section 8 of the Act and Government Bodies.

# Committees considered are Audit Committee and Stakeholders' Relationship Committee.

\* Appointed w.e.f. March 30, 2019 as an Additional Woman Director in Independent Category.

## B) DIRECTORS' PROFILE

A brief profile of Directors, nature of their expertise in specific functional areas are as follows:-

**Mr. Dilip Suryavanshi** is the Chairman and Managing Director of your Company. He holds a bachelor's degree in Civil Engineering from the Rani Durgavati University of Jabalpur. He has over 35 years of experience in the business of construction. Prior to the formation of your Company, he was a sole proprietor of Dilip Builders. He is currently the President of the Madhya Pradesh Builders Association. He is the Promoter and Director of your Company since incorporation. As the Managing Director, he liaises with various departments of the government and also overlooks processes including tendering, bidding and planning the projects.

**Mrs. Seema Suryavanshi** is a Whole-time Director of your Company. She holds a bachelor's degree in Arts (honours) from Ranchi Women's College, Ranchi. She has over 20 years of experience in the business of construction. She is the Promoter and director of your Company since incorporation. She actively participates in the CSR activities and handles the administration of the Company.

**Mr. Devendra Jain** is a Whole-time Director and Chief Executive Officer of your Company. He holds a bachelor's degree in Civil Engineering from Vikram University, Ujjain. He has over 20 years of experience in the business of construction. Prior to joining our Company, he was an assistant professor at Mahatma Gandhi College, Bhopal and Swami Vivekananda Mahavidyalaya. He joined your Company on April 1, 2009. He actively participated in monitoring the usage of SAP and its implementation for the operational excellence of the Company. He is fairly conversant with overall affairs of the Company and various other aspects of the management of the Company including finance, accounting, costing and budgeting. He looks after project-implementation along with the quality of work and ensures timely completion of the projects undertaken by your Company.

**Mr. Aditya Vijay Singh** (Retired IAS) is a Non-Executive and Independent Director of your Company. He holds a bachelor's degree in Science (Physics) honours. He has over 40 years of experience in government services and state and public sector undertakings. He retired as the Chief Secretary, Madhya Pradesh. He was also the Chairman of Narmada Valley Development Authority and as the State Election Commissioner of Madhya Pradesh.

**Mr. Ashwini Verma** is a Non-Executive and Independent Director on the Board of your Company. He holds a bachelors' Degree in Civil Engineering from Rajiv Gandhi Proudhyogiki Vishwavidyalaya, Bhopal. He has over 28 years of experience in architectural and site engineering services. He is a partner of AV & Associates. He has previously worked in various capacities in Gawali & Associates, Architects and Engineers, Waseem & Associates, Pradeep K. Saxena & Associates and Harekrishna Colonisers Private Limited.

**Mr. Amogh Kumar Gupta** is a Non-Executive and Independent Director on the Board of your Company. He holds a master's degree in public health engineering from Maulana Azad College of Technology (Regional Engineering College), Bhopal. He has over 33 years of experience in the field of architecture and interior designing. He is a partner of Amogh Kumar Gupta and Associates. He has previously worked with the Environmental Planning & Coordination Organization, Bhopal and the Town Planning Cell of Narmada Valley Development Authority, Bhopal. He has also been on the board of examination of the Indian Institute of Architects and a council member of the Council of Architecture. He is a Chairperson of the Board of Governors of School of Planning & Architecture, New Delhi by Department of Higher Education, Ministry of Human Resource Development, Government of India.

**Mr. Satish Chandra Pandey** is a Non-Executive and Independent Director on the Board of your Company. In addition to this, he is acting as Chairman of the Audit Committee, Nomination & Remuneration Committee, CSR Committee, Group Governance Committee and Stakeholders' Relationship Committee of the Board. He is a retired Government Servant and holds a bachelor's degree in Civil Engineering from Government College of Engineering & Technology, Raipur. He has previously worked as Secretary with the Public Works Department, Government of Madhya Pradesh for 38 years.

**Mr. Vijay Chhibber** is a Non-Executive and Independent Director of your Company. He is a former IAS Officer of 1978 batch of Manipur-Tripura Cadre and has worked on several key assignments in the Govt. of India. He is a retired Civil Servant with over 37 years of Public Service in the Indian Administrative Services and has served as Secretary of Ministry of Road Transport and Highways with additional charge of Chairman, National Highways & Infrastructure Development Corporation Limited and was instrumental in many path breaking initiatives of the Ministry.

**Mr. Malay Mukherjee** is a Non-Executive and Independent Director of your Company. He holds Master's Degree in Science (Physics) from Banaras Hindu University and has

also received Certificate of Honorary Fellowship from Indian Institute of Banking & Finance. He has over 41 years of experience in banking including venture funding, factoring and broking. He has previously worked on various key assignments like Chairman of the Board of IFCI Limited, IFCI Factors Limited, IFCI Infrastructure Development Limited, Central Bank of India, Nabil Bank and Tourism Finance Corporation of India Limited.

**Ms. Ratna Dharashree Vishwanathan** was appointed on the Board as an Additional Woman Director in Independent category w.e.f March 30, 2019. She has an extensive experience in various sectors such as strategy building, microfinance, project management, change management, human resource and financial management. She holds Master's Degree in English Literature from Lucknow University and has Diploma in Environment and Third World Development from London. She belongs to the 1987 batch of the Indian Audit and Accounts Service (IA & AS). She has also served at very senior levels in well-known international NGOs such as Oxfam India and VSO India during 2008-2013.

#### **Matrix-Key Board Qualification, expertise and attributes**

The Company inducts eminent individuals from diverse fields as directors on its Board. The Nomination and Remuneration committee works with the entire Board to determine the appropriate characteristics, skills and experience required for the Board as a whole and for Individual members. Members are expected to possess the required qualifications, integrity, expertise and experience for the position. They should also possess deep expertise and insight in sectors/areas relevant to the Company and ability to contribute to the Company's growth.

#### **List of Core skills/expertise/competencies identified by the board of directors of the Company**

##### **(a) Pursuant to Schedule V of SEBI (LODR) Regulations, 2015, the core areas of the Company are as under:**

- i) Civil Works: Roads & Highways, planning, designing, and overseeing construction and maintenance of building structures, and facilities, such as roads, railroads, airports, bridges, dams, canals, harbors, channels, irrigation projects, pipelines, power plants, and water and sewage systems, Metro projects.
- ii) Urban development : Designing master plans, supporting project management, and carrying out environmental impact assessments, urban planners, dealing with regulations, land prices, property taxes, or investment in infrastructure.

- iii) Mines and Minerals Extraction : Planning and overseeing mine or quarry construction projects; mining and mineral extraction facilities, coordinating and supervising all the activities in the mine regarding digging, extracting, and transporting minerals out of the mine, specialize in designing, developing, and testing machines, techniques, and processes for harvesting geological material.
- iv) Quality Assurance Engineering and Quality control : To measure and assure the quality of a product, and quality control, QA : Method statement, work procedures, Inspection & test plan, Project quality plan how to defect prevention. Experience to ensure proper quality of the materials, methods of execution maintain guidelines of Indian standards and make sure work progresses . To lift of all types of equipment and handle the efficient storage of all hazardous materials and perform quality audits, Liaise the Technical Engineer, Coordinate with the consultant's representative and Site In-charge for inspection.
- v) Structural and Drawings : Engineering dealing with the analysis and design of structures that support or resist loads.
- vi) Machines & Equipments: Having the experience of Mechanical Skills, Techno-Commercial Discussions with different Equipment Suppliers and to finalise the vendor, procurement of Different types of Equipment along with their Spare parts, planning of raw steels, fabrication of structures, its quality check, and transportation to the respective erection sites, executing the structural Erection , Equipment Erection, Piping and utility, liaisoning with Government for necessary clearances, Different Inspections, and Audit.
- vii) Accounts and finance and Corporate office : Having the ability to read and understand the financial statements or accounting , related financial management expertise. Read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows. Balance sheet , financials ratio, accounts , Banking knowledge , possesses experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.
- viii) Management and Business Strategy : It Includes all aspects of overseeing and supervising business operations, as well as related fields which include accounting, finance and marketing.

- ix) Project Management : Having the experience of project's designing, cost and time control, planning budget, project progressing as per plan, Ensure resources (not just people, but other such as machinery, equipment, money etc.) are properly utilized and no wastage, contractual obligations are met and in control, forecast deviations beyond permissible limits, Oracle, data centers, disaster recovery.
- x) IT Administrator related to Infrastructure/ Construction policy : Have the expertise in implementation and guiding about Information technology and its usage in business.
- xi) Corporate Governance : Deals with to have effective Board, clearly identify the responsibilities and accountabilities within the organization, formation of appropriate board committee to assist the board in the effective performance of its duties, ensuring formal, rigorous and transparent procedure be in place for planning the succession of all key officeholders, Planning transparent, fair and consistent in determining the remuneration policy for directors and senior executives, maintenance of a sound internal control system, presenting a fair, balanced and understandable assessment of the organization's and establish formal and transparent arrangements to appoint and maintain an appropriate relationship with the organization's auditors, respect the interests of its shareholders and other key stakeholders within the context of its fundamental purpose.
- xii) Risk Management : Help in providing a methodology to identify and analyze the financial impact of loss to the organization, employees, the public, and the environment, examine the use of realistic and cost-effective opportunities to balance retention programs with commercial insurance, prepare risk management and insurance budgets and allocate claim costs and premiums to departments and divisions, establishment and maintenance of records including insurance policies, claim and loss experience, Review of major contracts, proposed facilities, and/or new program activities for loss and insurance implications and maintain control over the claims process to assure that claims are being settled fairly, consistently, and in the best interest of the entity.
- (b) Pursuant to Schedule V of SEBI (LODR) Regulations, 2015, the Board has identified the following skill set with reference to its Business and Industry which are available with the Board:**

S. No	Name of Board of Directors of the Company	Expertise in specific functional areas
1	Dilip Suryavanshi	Civil Works, Urban Development, Mines and Minerals Extraction, Accounts and Finance and Corporate office, Management and Business Strategy, Project Management, Corporate Governance, Risk Management
2	Seema Suryavanshi	Accounts and Finance and Corporate office
3.	Devendra Jain	Civil Works, Urban development, Mines and Minerals Extraction, Quality Assurance Engineering and Quality control, Structural and Drawings, Machines & Equipments, Accounts and Finance and Corporate office, Management and Business Strategy, Project Management, IT Administrator related to Infrastructure/ Construction policy, Corporate Governance, Risk Management
4.	Aditya Vijay Singh	Management and Business Strategy and Project Management
5	Amogh Kumar Gupta	Civil Works, Quality Assurance Engineering and Quality control
6	Ashwini Verma	Civil Works and Project Management
7	Satish Chandra Pandey	Civil Works, Quality Assurance Engineering and Quality control, Structural and Drawings, Project Management
8	Vijay Chhibber	Management and Business Strategy, Project Management, Corporate Governance, Risk Management.
9.	Malay Mukherjee	Accounts and Finance, Management and Business Strategy, IT Administrator related to Infrastructure/ Construction policy, Corporate Governance, Risk Management
10.	Ratna Dharashree Vishwanathan	Accounts, Finance and Corporate office, Management and Business Strategy.

### (c) Matrix of expertise and skill of Directors

At Present directors of the Company (including directors seeking appointment) having different skill and expertise in respective domain area viz.

- Five Director are having expertise in overall infrastructure work which includes engineering and business development.
- Five Directors are having expertise in accounting and finance and Corporate office.
- Six Directors are having expertise in Business Strategy and Corporate Management.
- Two director are having expertise in Information Technology sector.
- Four Directors are having expertise in Corporate Governance
- Three Directors are having expertise in Risk Management.

### CERTIFICATION FROM COMPANY SECRETARY IN PRACTICE

M/s Piyush Bindal & Associates, Practicing Company Secretaries, has issued a certificate as required under the SEBI (LODR) Regulations, 2015, confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority. This certificate is enclosed as Annexure A of this Corporate Governance Report.

### C) INDEPENDENT DIRECTORS

#### • Selection of Independent Directors

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 read with Section 149(6) of the Companies Act, 2013. Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as Independent Director on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation, and takes appropriate decision. The maximum tenure of independent directors is in compliance

with the Act. The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 read with Section 149(6) of the Companies Act, 2013. Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, or whenever there is any change in the circumstances which may affect his status as an independent director, submit a declaration that he meets the criteria of independence as provided in clause (b) of sub-regulation (1) of regulation 16 and that he is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence and the board of directors of the company shall take on record the declaration and confirmation submitted by the independent director under sub-regulation (8) after undertaking due assessment of the veracity of the same.

#### • Meetings of Independent Directors

During the financial year 2018-19, three meetings of Independent Directors was held on May 29, 2018, December 10, 2018 and March 30, 2019 to consider and take on record the performance of subsidiaries of the Companies and amendment in the Policies of the company as per SEBI (LODR) Regulations, 2015. The meetings were held without the presence of Executive Directors and management personnel of the Company. All the Independent Directors were present at the said meetings. Such meetings were conducted to enable Independent Directors to discuss matters pertaining to the Company's affairs and matters mentioned in Schedule IV to the Companies Act, 2013.

Further, for the purpose of evaluating the performance of the Board, its Committees and Directors of the Company for the Financial Year 2018-19, a separate meeting of the Independent Directors was held on August 05, 2019.

#### • Familiarization Programme for Independent Directors

At the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities. The format of letter of appointment is available on our website. Further, in accordance with the requirements of SEBI (LODR) Regulations, 2015, the Company also organizes Familiarization Programme for the Independent Directors to enlighten them about the Company, their roles, rights, responsibilities in the Company, nature of the industry

in which the Company operates, business model of the Company etc.

The details of such programmes imparted to Independent Directors are available on the Company's website and can be accessed at the weblink: <http://www.dilipbuildcon.com/wps/wcm/connect/472e29ea-95f4-4054-86a3-b5921e36a1a6/DirectorsFamiliarization-2019.pdf?MOD=AJPERES&CACHEID=ROOTWORKSPACE-472e29ea-95f4-4054-86a3-b5921e36a1a6-mFTgwCt>

#### **D) CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT**

The Company has in place a comprehensive Code of Conduct (the Code) applicable to the Directors and Senior Management. The Code is also applicable to Non-Executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The duties of Independent Directors as laid down in the Companies Act, 2013 are incorporated in the Code. The Code gives guidance needed for ethical conduct of business and compliance of law. The Code reflects the values of the Company viz. Customer Value, Ownership mindset, Respect, Integrity, One Team and Excellence. A copy of the Code has been placed on the Company's website <http://www.dilipbuildcon.com/wps/wcm/connect/1d9464eb-9501-42ad-a089-795eecf4e28b/Code+of+Conduct+Board+of+Directors.pdf?MOD=AJPERES&CACHEID=ROOTWORKSPACE-1d9464eb-9501-42ad-a089-795eecf4e28b-meHR6zB>. The Code has been circulated to Directors and Management Personnel and its compliance is affirmed by them annually. A declaration in this regard, signed by the Chief Executive Officer, is published in this Report.

#### **E) PERFORMANCE EVALUATION CRITERIA FOR DIRECTORS**

The Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Board, its Committees, Chairman and Directors including Independent Directors. The said criteria provides certain parameters like contribution to the Board, attendance, effective participation, domain knowledge and so on, which are considered by the Committee and/or the Board while evaluating the performance of each Director. The performance evaluation of Independent Director is done by the entire Board of Directors excluding the Director whose performance is being evaluated.

#### **F) DETAILS OF EQUITY SHARES OF THE COMPANY HELD BY THE DIRECTORS AS ON MARCH 31, 2019 ARE GIVEN BELOW:**

<b>Name of Director holding equity shares in the Company</b>	<b>Number of equity shares held</b>	<b>Percentage of shareholding (%)</b>
Mr. Dilip Suryavanshi	55673487	40.71
Mrs. Seema Suryavanshi	11904200	8.70
Mr. Devendra Jain	35863572	26.22

None of the Non-Executive Directors hold any shares in the Company.

#### **G) BOARD MEETINGS**

The Board meets at regular intervals to discuss and decide on various business decisions, strategies, policies and review the performance of the Company and its subsidiaries. The Board has also constituted Committees to deal with specific areas and activities which concern the Company and require a closer review. The Board periodically reviews the compliance reports pertaining to all laws applicable to the Company, prepared by the Company as well as steps taken by Company to rectify instances of non-compliances, if any.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board.

#### **Information placed before the Board**

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the SEBI (LODR) Regulations, 2015, to the Board and of the Board Committees to the extent, if applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meetings.

#### **Recording Minutes of Proceedings at Board and Committee Meetings**

The Company Secretary records minutes of proceedings of each Board and Committee meetings. Draft minutes are circulated to Board and Committee members respectively

for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

#### Post Meeting Follow-Up Mechanism

The guidelines for Board and Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Committees thereof.

Important decisions taken at Board/ Committee meetings are communicated promptly to the concerned departments/divisions. Action-taken report on decisions/ minutes of the previous meeting(s) is placed at the succeeding meeting of the Board/Committees for noting.

#### Compliance

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 2013 read with rules issued thereunder, as applicable and Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

#### NUMBER OF BOARD MEETINGS DURING THE FINANCIAL YEAR 2018-19, ATTENDANCE OF THE DIRECTORS AT BOARD MEETINGS AND ANNUAL GENERAL MEETING

1. In the Financial Year 2018-19, the Board met 8 (Eight) times and the gap between two Meetings did not exceed 120 days in accordance with Section 173 of the Companies Act, 2013 and Regulation 17(2) of the SEBI (LODR) Regulations, 2015, the necessary quorum was present for all the meetings.

The details of Board meetings held during the financial year 2018-19 are as follows:

Sr. No.	Date of Board Meeting	Board Strength	No. of Directors Present
1	15.05.2018	9	6
2	29.05.2018	9	9
3	14.08.2018	9	6
4	28.09.2018	9	8
5	13.11.2018	9	9
6	10.12.2018	9	9
7	08.02.2019	9	8
8	30.03.2019	10*	10

\*Ms. Ratna Dharashree Vishwanathan was appointed as an Additional Woman Director in Independent Category and participated in the meeting w.e.f March 30.03.2019.

#### 2. Attendance of Directors at the Board Meetings and at the last Annual General Meeting (AGM)

Name of the Director	Number of board meetings during the year 2018-19		Whether attended last AGM held on September 28, 2018
	Held	Attended	
Dilip Suryavanshi	8	8	Yes
Seema Suryavanshi	8	8	Yes
Devendra Jain	8	8	Yes
Aditya Vijay Singh	8	5	No
Ashwini Verma	8	8	Yes
Amogh Kumar Gupta	8	8	Yes
Satish Chandra Pandey	8	7	Yes
Vijay Chhibber	8	5	Yes
Malay Mukherjee	8	7	Yes
Ratna Dharashree Vishwanathan*	8	1	-

\*Ms. Ratna Dharashree Vishwanathan was appointed as an Additional Woman Director in Independent Category w.e.f March 30, 2019 and no Board meeting was held in the Financial Year 2018-19 after her appointment as Director.

#### REMUNERATION OF DIRECTORS:

##### a) Pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company:

The Non-Executive Directors of the Company do not have any pecuniary relationship or transactions with the Company except the sitting fees they receive for attending the meetings of Board and Committees of the Company. The Company has not granted any stock option to any of its Non-Executive Directors.

The details of sitting fees received by the Non-Executive Directors during the Financial Year 2018-19 are given below:

S. No	Name of Non-Executive Director	Sitting Fees (In Rs.)
1	Aditya Vijay Singh	240000
2	Vijay Chhibber	200000
3	Ashwini Verma	400000

4	Amogh Kumar Gupta	400000
5	Satish Chandra Pandey	355000
6	Malay Mukherjee	250000
7	Ratna Dharashree Vishwanathan*	25000
<b>TOTAL</b>		<b>1870000</b>

\* Appointed w.e.f. March 30, 2019 as an Additional Woman Director in Independent Category.

**b) Criteria of making payments to Non-Executive Directors is disclosed on the website of the Company and can be accessed at weblink:** [http://www.dilipbuildcon.com/wps/wcm/connect/c8ef2f66-ef9e-4e87-86be-c180d42c3efb/Criteria+for+making+payment+to++++NED.pdf?MOD=AJPERES&CONVERT\\_TO=url&CACHEID=ROOTWORKSPACE-c8ef2f66-ef9e-4e87-86be-c180d42c3efb-m0w-por](http://www.dilipbuildcon.com/wps/wcm/connect/c8ef2f66-ef9e-4e87-86be-c180d42c3efb/Criteria+for+making+payment+to++++NED.pdf?MOD=AJPERES&CONVERT_TO=url&CACHEID=ROOTWORKSPACE-c8ef2f66-ef9e-4e87-86be-c180d42c3efb-m0w-por)

**c) Disclosure with respect to remuneration of Executive Directors during the Financial Year 2018-19:**

(Amount In Lakhs)

Name of the Director	Salary	Benefits Perquisites and Allowances	Commission	Bonus/ Incentives	Stock Option	Total
Mr. Dilip Suryavanshi	1200.00	Nil	400.00	Nil	Nil	1600.00
Mrs. Seema Suryavanshi	200.00	Nil	Nil	Nil	Nil	200.00
Mr. Devendra Jain	1100.00	Nil	700.00	Nil	Nil	1800.00
<b>Total</b>	<b>2500.00</b>	<b>Nil</b>	<b>1100.00</b>	<b>Nil</b>	<b>Nil</b>	<b>3600.00</b>

**BOARD COMMITTEES**

The Board has in place the following Committees:-

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Risk Management Committee
5. Corporate Social Responsibility Committee
6. Borrowing Committee
7. Business Development and Administration Committee
8. Lending and Investment Committee
9. Business Responsibility Committee.
10. Group Governance Committee.
11. Enquiry Committee for Leak of Unpublished Price Sensitive Information ("UPSI").

**1. Audit Committee**

The Audit Committee was constituted by our Board in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015. The composition, quorum, terms of reference, functions, powers, roles and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the SEBI (LODR) Regulations, 2015. All the members of the committee are financially literate and Mr. Satish Chandra Pandey, Chairperson of the Committee is an Independent director and possesses financial expertise.

**The members of the Committee, Meetings and Attendance during the financial year 2018-19 are as under:**

S. No	Name	Designation	Number of meetings attended
1.	Mr. Satish Chandra Pandey	Chairman - Independent Director	6 of 7
2.	Mr. Ashwini Verma	Member - Independent Director	7 of 7
3.	Mr. Aditya Vijay Singh	Member - Independent Director	5 of 7
4.	Mr. Amogh Kumar Gupta	Member - Independent Director	7 of 7
5.	Mr. Dilip Suryavanshi	Member - Managing Director	7 of 7
6.	Mr. Devendra Jain	Member - Whole - time Director & CEO	7 of 7

Mr. Abhishek Shrivastava, Company Secretary also acts as Secretary to the Committee.

The Audit Committee met 7 (Seven) times during the Financial Year 2018-19. The maximum gap between two Meetings was not more than 120 days. The Committee met on May 15, 2018; May 29, 2018; August 14, 2018; November 13, 2018; December 10, 2018 and February 08, 2019 and March 30, 2019. The requisite quorum was present at all the Meetings. The Chairman of the Audit Committee was present at the 12<sup>th</sup> Annual General Meeting of the Company held in Financial Year 2018-19.

**The terms of reference of Audit Committee *inter-alia*, includes the following:**

- a) Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) Recommending to the Board, the appointment, remuneration and terms of appointment of the Statutory Auditor of the Company;
- c) Approving payments to Statutory Auditors for any other services rendered by Statutory Auditors;
- d) Reviewing, with the management, the annual Financial Statements and Auditor's report thereon before submission to the Board for approval, with particular reference to:
  - (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  - (ii) Changes, if any, in accounting policies and practices and reasons for the same;
  - (iii) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (vi) Significant adjustments made in the financial statements arising out of audit findings;
  - (v) Compliance with listing and other legal requirements relating to financial statements;
  - (vi) Disclosure of any related party transactions;
  - (vii) Modified opinion(s) in the draft Audit Report.
- e) Reviewing, with the management, the quarterly, half-yearly and annual Financial Statements before submission to the Board for approval;
- f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (preferential issue, rights issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use or application of the funds raised through the proposed initial public offer by our Company;
- g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- h) Approving of any subsequent modification of transactions of the Company with related parties;
- i) Scrutinizing inter-corporate loans and investments;
- j) Valuing undertakings or assets of the Company, wherever it is necessary;
- k) Evaluating internal financial controls and risk management systems;
- l) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
- m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n) Discussing with internal auditors any significant findings and follow up thereon;
- o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- p) Discussing with statutory auditors, internal auditors, secretarial auditors and cost auditors before the audit Commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- r) To review the functioning of the whistle blower mechanism;
- s) Establishing a vigil mechanism policy for directors and employees to report their genuine concerns and grievances.
- t) Approval of appointment of the CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate; and
- u) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee shall mandatorily review the following information:

- i. Management discussion and analysis of financial condition and result of operations;
- ii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- iii. Management letters/ letters of internal control weaknesses issued by the Statutory Auditor;
- iv. Internal audit reports relating to internal control weaknesses;
- v. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee; and

vi. Statement of deviations:

- a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the Securities and Exchange Board of India (LODR) Regulations, 2015; and
- b) Annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of the Securities and Exchange Board of India (LODR) Regulations, 2015.

The powers of the Audit Committee shall include the following:

- i. To investigate any activity within its terms of reference;
- ii. To seek information from any employee;
- iii. To obtain outside legal or other professional advice; and
- vi. To secure attendance of outsiders with relevant expertise, if it considers necessary.

**Details of establishment of vigil mechanism for directors and employees**

The Company has in place the Vigil Mechanism Policy which aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. All permanent employees of the Company are covered under the Vigil Mechanism Policy.

A mechanism has been established for employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. <http://www.dilipbuildcon.com/wps/wcm/connect/ca817697-68c9-4d95-b8f0-9e07bb33db60/Amended+Vigil++Mechanism+Policy.pdf?MOD=AJPERES&CONVERT=TO=url&CACHEID=ROOTWORKSPACE-ca817697-68c9-4d95-b8f0-9e07bb33db60-ml2LS7Q>

**2. Stakeholders' Relationship Committee**

Stakeholders' Relationship Committee has been constituted by the Board in accordance with Section 178 of the Companies Act, 2013. The members of the Committee are as under:

S. No.	Name	Designation	Number of meetings attended
1.	Mr. Satish Chandra Pandey	Chairman-Independent Director	4 of 4
2.	Mr. Dilip Suryavanshi	Member-Managing Director	4 of 4
3.	Mr. Devendra Jain	Member-Whole-time Director & CEO	4 of 4
4.	Mr. Ashwini Verma	Member-Independent Director	4 of 4
5.	Mr. Amogh Kumar Gupta	Member-Independent Director	4 of 4

Mr. Abhishek Shrivastava, Company Secretary also acts as Secretary to the Committee.

The Committee met 4 (Four) times during the Financial Year 2018-19 on May 15, 2018, August 13, 2018, November 13, 2018, and February 08, 2019. The requisite quorum was present at all the Meetings.

**The terms of reference of the Stakeholders' Relationship Committee of the Company include the following:**

- a) Consider and resolve grievances of the security holders of the Company, including complaints related to the transfer of shares, non-receipt of Annual Report and non-receipt of declared dividends; and
- b) Carrying out any other function as prescribed under the SEBI (LODR) Regulations, 2015.

## STATUS OF INVESTOR COMPLAINTS FOR THE FINANCIAL YEAR 2018-19

There were total 11 complaints received during the year and were attended and resolved by the Company. Therefore, no complaints were pending as at March 31, 2019. Details are as under :

Particulars	Pending as on March 31, 2018	Received During Financial Year 2018-19	Redressed During Financial Year 2018-19	Pending as on March 31, 2019
Shareholder Complaints	NIL	11	11	Nil

### 3. Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been constituted by the Board in accordance with the provision of section 178 of Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015. All the members of the committee are Independent Directors. The Members of Nomination and Remuneration Committee are as under:

S. No.	Name	Designation	Number of meetings attended
1.	Mr. Satish Chandra Pandey	Chairman – Independent Director	4 of 4
2.	Mr. Ashwini Verma	Member – Independent Director	4 of 4
3.	Mr. Amogh Kumar Gupta	Member – Independent Director	4 of 4

Mr. Abhishek Shrivastava, Company Secretary acts as Secretary to the Committee.

During the year, the Committee approved and recommended a revised Nomination and Remuneration policy to the Board, Pursuant to the amendments in the SEBI (LODR) Regulations, 2015 (Regulations), which was adopted and effective from April 01, 2019. The Policy is available on our website, at [http://www.dilipbuildcon.com/wps/wcm/connect/98fcb883-de4d-47a7-8171-d580e14ed629/Nomination+and+Remuneration+Policy.pdf?MOD=AJPERES&CONVERT\\_TO=url&CACHEID=ROOTWORKSPACE-98fcb883-de4d-47a7-8171-d580e14ed629-mDD5pTX](http://www.dilipbuildcon.com/wps/wcm/connect/98fcb883-de4d-47a7-8171-d580e14ed629/Nomination+and+Remuneration+Policy.pdf?MOD=AJPERES&CONVERT_TO=url&CACHEID=ROOTWORKSPACE-98fcb883-de4d-47a7-8171-d580e14ed629-mDD5pTX).

The Committee met 4 (Four) times during the Financial Year 2018-19 on May 29, 2018, August 13, 2018, December 10, 2018 and March 30, 2019. The requisite quorum was present at all the Meetings. The Chairman of the Nomination and Remuneration Committee was present at the 12<sup>th</sup> Annual General Meeting of the Company held in the Financial Year 2018-19.

### Brief description of terms of reference:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of performance of independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal and evaluation of Director's performance;
- Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Carrying out any other function as prescribed under the SEBI Listing Regulations; and
- recommend to the board, all remuneration, in whatever form, payable to senior management.
- Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

### Mechanism for Evaluation of Board, Committees, Chairman and Individual Directors

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

As per Section 134(3) read with Rule 8(4) of the Companies (Accounts) Rules, 2014, the evaluation is done by the Independent Directors of the Board for the performance of the executive directors with specific focus on the performance and effective functioning of the Board and Individual Directors and for the aforesaid purpose, Independent Directors of the

Company have conducted their separate meeting on August 05, 2019. The Board of Directors expressed their satisfaction with the evaluation process.

#### Criteria for evaluation of Board as a whole

- i. Board Composition & Quality
- ii. Board Meetings
- iii. Committees
- iv. Core Governance & Compliance
- iv. Risk Management

#### Criteria for evaluation of Committee

- i. Structure of committee
- ii. Appropriateness of delegation of responsibilities by the Board to its committee
- iii. Composition of the committees
- iv. The meetings are conducted in a manner that ensures open communication and meaningful participation
- v. The amount of information received is appropriate for discussion and decision making purposes
- vi. The reporting by each of the Committees to the Board is sufficient
- vii. Committees takes effective and proactive measures to perform its functions
- viii. The frequency of the Committee meetings is adequate

#### Criteria for evaluation of Chairman

- i. Leadership
- ii. Managing Relationships

#### Criteria for evaluation of the Executive Directors

- i. Strategy Formulation & Execution
- ii. Board Meetings
- iii. Interpersonal Skills
- iv. Leadership
- v. Diligence
- vi. Knowledge & Expertise

#### Criteria for evaluation of the Independent Directors

- i. Knowledge & Expertise
- ii. Participation in Board Meetings
- iii. Interpersonal Skills
- iv. Professional Conduct & Independence
- v. Diligence
- vi. Roles & Responsibilities
- vii. Disclosure & Reporting

Company's policy on remuneration of Directors, KMPs and other employees:

The Policy of the Company on remuneration of Directors, KMPs and other employees including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178 of the Companies Act, 2013, is part of the Board's Report.

#### 4. Corporate Social Responsibility (CSR)

CSR is commitment of the Company to improve the quality of life of the community and society at large and an initiative to assess and take responsibility for the company's effects on environment and social wellbeing. The Company believes in undertaking business in such a way that it leads to overall development of all stakeholders and society.

CSR Committee consists of following persons namely:

S. No.	Name	Designation	Number of meetings attended
1.	Mr. Satish Chandra Pandey	Chairman-Independent Director	2 of 2
2.	Mr. Dilip Suryavanshi	Member-Managing Director	2 of 2
3.	Mr. Devendra Jain	Member-Whole-time Director & CEO	2 of 2
4.	Mr. Ashwini Verma	Member-Independent Director	2 of 2
5.	Mr. Amogh Kumar Gupta	Member-Independent Director	2 of 2

Mr. Abhishek Shrivastava, Company Secretary also acts as Secretary to the Committee.

CSR policy was adopted by the Board on the recommendation of CSR Committee. As per the Rule 9 of Companies (CSR Policy) Rules, 2014, the Corporate Social Responsibility Policy is available on the website of the Company, [http://www.dilipbuildcon.com/wps/wcm/connect/abc3afe3-7462-4b3a-974a-5b4276d5d060/CSR+Policy-13-11-2018.pdf?MOD=AJPERES&CONVERT\\_TO=url&CACHEID=ROOTWORKSPACE-abc3afe3-7462-4b3a-974a-5b4276d5d060-mDM-N7-](http://www.dilipbuildcon.com/wps/wcm/connect/abc3afe3-7462-4b3a-974a-5b4276d5d060/CSR+Policy-13-11-2018.pdf?MOD=AJPERES&CONVERT_TO=url&CACHEID=ROOTWORKSPACE-abc3afe3-7462-4b3a-974a-5b4276d5d060-mDM-N7-)

The Committee met 2 (two) times during the Financial Year 2018-19 on May 30, 2018 and November 13, 2018. The requisite quorum was present at all the Meetings.

Report on CSR as per Rule 8 of Companies (CSR Policy) Rules, 2014 is prepared and forms part of the Board's Report.

## 6. Group Governance Committee

The Group Governance Committee has been constituted on December 10, 2018 by the Board to authorize the committee to evaluate the Corporate Governance of unlisted subsidiaries of the Company with the composition of three independent directors.

The details regarding composition, terms of references, powers, functions, scope, meetings and attendance of members are included in Corporate Governance Report which forms part of the Annual Report.

Group Governance Committee consists of following persons namely:

S. No.	Name	Designation	Number of meetings attended
1.	Mr. Satish Chandra Pandey	Chairman-Independent Director	1 of 1
2.	Mr. Ashwini Verma	Member-Independent Director	1 of 1
3.	Mr. Amogh Kumar Gupta	Member-Independent Director	1 of 1

Brief description of terms of reference:

- To formulate a strong and effective group governance policy,
- Establish a Framework for evaluation of the Corporate Governance of the unlisted Subsidiaries of the Company;
- Oversee & evaluate the performance and Corporate Governance practices of the unlisted Subsidiaries of the Company;
- Report any deviation to the Board;
- To ensure mandatory disclosures are made to the concerned authorities by the Subsidiaries Companies;
- To ensure that composition of Board of Directors and Committees of subsidiaries are commensurate with the Companies Act, 2013
- To ensure role of the Board and Committees of subsidiaries are clearly defined and they meet at suitable intervals.

- To Monitor Subsidiary's Board effectiveness and its roles;
- To recommend such Governance practices as may be deemed fit to the unlisted subsidiaries upon getting approval of the Board on the same
- driving consistency in respect of governance and regulatory conduct matters across the Group;
- overseeing compliance with the corporate governance principles, culture and ethical values of the Group in line with the Group's strategic priorities, including the provision of approvals where required;
- To assist in the compliance of regulatory requirements as may be necessary for various authorities viz. Registrar of Companies, Ministry of Corporate Affairs, NHAI, MPRDC, MHRDC, other central, state and Semi Government organisations, banks, Tax authorities etc.;
- To review the operational and financial performance of the Subsidiaries and if necessary, advise for the betterment.

The Committee met 1 (One) time during the Financial Year 2018-19 on March 30, 2019. The requisite quorum was present at all the Meetings.

Each of the Board Committees has been mandated to operate within a given framework. Details of the Board Committees other than specified above containing inter alia its composition, functions and other related information are included in the Board's Report. Mr. Abhishek Shrivastava, Company Secretary acts as the Secretary to all the Committees. The Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee Meetings are placed before the Board for noting.

## SUBSIDIARY COMPANIES

As on March 31, 2019, the Company has 31 (Thirty-One) Subsidiaries & 2 (Two) Associates and all are unlisted. The Company does not have any foreign subsidiaries and associate.

The Audit Committee reviews the financial statements of the subsidiary companies and the investments made by its unlisted subsidiary companies, if any.

The minutes of the board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

Pursuant to Regulation 16(1)(c) of SEBI (LODR) ***“Material Subsidiary shall mean a subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.”*** Considering the said

criteria, “DBL Lucknow Sultanpur Highways Limited” (SPV) has become material Unlisted Subsidiary of the Company.

The said SPV Company has also complied the provisions of regulation 24 A of SEBI (LODR) Regulations, 2015 and has undertaken the Secretarial Audit and report of the Secretarial Audit is annexed with its annual report for the year ended March 31, 2019.

As per regulation 24 (1) of SEBI (LODR) Regulations, 2015, the Company does not have any material subsidiary.

During the year, the Audit Committee has approved and recommended to the board revised Policy for determining Material Subsidiaries to the Board, pursuant to the amendments in the SEBI (LODR) Regulations, 2015 (Regulations), which was adopted and effective from April 01, 2019. The Policy is available on our website at [http://www.dilipbuildcon.com/wps/wcm/connect/84c8f6b5-a7cc-4418-b705-ddb816eb4d04/Material+Subsidiary+Policy.pdf?MOD=AJPERES&CONVERT\\_TO=url&CACHEID=ROOTWORKSPACE-84c8f6b5-a7cc-4418-b705-ddb816eb4d04-mDM.6Fb](http://www.dilipbuildcon.com/wps/wcm/connect/84c8f6b5-a7cc-4418-b705-ddb816eb4d04/Material+Subsidiary+Policy.pdf?MOD=AJPERES&CONVERT_TO=url&CACHEID=ROOTWORKSPACE-84c8f6b5-a7cc-4418-b705-ddb816eb4d04-mDM.6Fb)

#### **AFFIRMATIONS AND DISCLOSURES:**

##### **a) Compliances with Governance Framework**

The Company is in compliance with all mandatory requirements under the SEBI (LODR) Regulations, 2015, and compliance of non-mandatory requirements of the SEBI (LODR) Regulations, 2015, is being reviewed by the Board from time-to-time.

##### **b) Disclosure of Transactions with Related Parties**

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the SEBI (LODR) Regulations, 2015, during the financial year 2018-19 were in the ordinary course of business and on arm's length basis. During the Financial Year 2018-19, there were no material significant transactions or arrangements entered into between the Company and its Promoters, Directors or their Relatives or the Management, Subsidiaries, etc. that may have potential conflict with the interests of the Company at large.

As required under Regulation 23(1) of the SEBI (LODR) Regulations, 2015, the Company has formulated a policy on dealing with Related Party Transactions. Further, during the year, the Audit Committee has approved and recommended to the board revised Policy on Related Party transactions and on dealing with Related Party

Transactions to the Board, pursuant to the amendments in the SEBI (LODR) Regulations, 2015 (Regulations), which was adopted and effective from April 01, 2019. The Policy is available on the website of the Company and can be accessed at the weblink :[http://www.dilipbuildcon.com/wps/wcm/connect/82561153-b3e3-4943-b574-fa6bad71e3d2/Related+party+Transaction+Policy.pdf?MOD=AJPERES&CONVERT\\_TO=url&CACHEID=ROOTWORKSPACE-82561153-b3e3-4943-b574-fa6bad71e3d2-mDN1x.7](http://www.dilipbuildcon.com/wps/wcm/connect/82561153-b3e3-4943-b574-fa6bad71e3d2/Related+party+Transaction+Policy.pdf?MOD=AJPERES&CONVERT_TO=url&CACHEID=ROOTWORKSPACE-82561153-b3e3-4943-b574-fa6bad71e3d2-mDN1x.7)

All material transactions with related parties have been disclosed in the compliance report on corporate governance submitted to the stock exchanges on quarterly basis in accordance with the Regulation 27 (2) of the SEBI (LODR) Regulations, 2015.

Further, details of related party transactions are presented in Note 28 to the standalone financial statements.

##### **c) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during last three Financial Years**

The Company has complied with all requirements specified under the SEBI (LODR) Regulations, 2015, as well as other regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three Financial years.

##### **d) Vigil Mechanism / Whistle Blower Policy**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR) Regulations, 2015, the Company has formulated Vigil Mechanism Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Vigil Mechanism Policy is displayed on the Company's website and can be accessed at the weblink: [http://dilipbuildcon.com/wps/wcm/connect/ca817697-68c9-4d95-b8f0-9e07bb33db60/Vigil+Mechanism+Policy.pdf?MOD=AJPERES&CONVERT\\_](http://dilipbuildcon.com/wps/wcm/connect/ca817697-68c9-4d95-b8f0-9e07bb33db60/Vigil+Mechanism+Policy.pdf?MOD=AJPERES&CONVERT_)

TO=url&CACHEID=ROOTWORKSPACE-ca817697-68c9-4d95-b8f0-9e07bb33db60-m0w-sHe

the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part, are as follows :

**e) Commodity Price Risk and commodity hedging activities**

Presently, the Company is not dealing in commodities and commodity hedging activities. However, the Company has in-house financial experts to identify and review the future possibilities of said risks and control it accordingly.

**f) Disclosures with respect to demat suspense account/ unclaimed suspense account**

The Company does not have any shares in the demat suspense account/unclaimed suspense account.

**g) Details of total fees paid to statutory auditors**

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to

S. No.	Name of Auditor	Type of Services	FY 2018-19 (Rs. In Lakhs)
1	Mukund M. Chitale & Co.	Statutory Audit Fee	34.00
2	Mukund M. Chitale & Co.	Limited Review	9.00
3.	MSG & Associates (Including subsidiaries)	Statutory Audit Fee	15.65
4.	MSG & Associates	Others Certification Fee	1.40
<b>Total</b>			<b>60.05</b>

**h) Details of the Credit Rating movement during the year :**

RATING AGENCY	FACILITY	ORIGINAL	REVISION IF ANY, IN FY 2018-19
<b>Care</b>	Cash credit	CARE A+/STABLE	CARE A/STABLE
	Non-fund based limit	CARE A1	-
<b>Crisil</b>	Cash credit	CRISIL A+/STABLE	CRISIL A/STABLE
	Non-fund based limit	CRISIL A1	-
	Non-convertible debentures	CRISIL A+/STABLE	CRISIL A/STABLE
	Commercial paper	CRISIL A1	-
<b>India Rating &amp; Research</b>	Cash credit	IND A+/STABLE	IND A+/NEGATIVE
	Non-fund based limit	IND A1	-
<b>Brickwork</b>	Cash credit	BWR AA-/STABLE	-
	Non-fund based limit	BWR A1+	-
	Commercial paper	BWR A1+	-

**(i) THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2) AS ON MARCH 31, 2019**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Regulations</b>	<b>Brief Descriptions of the Regulations</b>	<b>Compliance Status (Yes/No/N.A.)</b>
1.	Board of Directors	17(1)	Composition of Board	Yes
		17(2)	Meeting of Board of Directors	Yes
		17(3)	Review of Compliance Reports	Yes
		17(4)	Plans for orderly succession for appointments	Yes
		17(5)	Code of Conduct	Yes
		17(6)	Fees/Compensation	NA
		17(7)	Minimum Information to be placed before the Board	Yes
		17(8)	Compliance Certificate	Yes
		17(9)	Risk Assessment & Management	Yes
		17(10)	Performance Evaluation	Yes
2	Audit Committee	18(1)	Composition of Audit Committee & Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		18(2)	Meeting of Audit Committee	Yes
		18(3)	Role of the Committee and Review of information by the Committee	Yes
3.	Nomination and Remuneration Committee	19(1) & (2)	Composition of Nomination and Remuneration Committee	Yes
		19(3)	Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		19(4)	Role of the Committee	Yes
4.	Stakeholders Relationship Committee	20(1), (2) & (3)	Composition of Stakeholder Relationship Committee	Yes
		20(4)	Role of the Committee	Yes
5.	Risk Management Committee	21(1),(2) &(3)	Composition of Risk Management Committee	NA
		21(4)	Role of the Committee	NA
6.	Vigil Mechanism	22	Formulation of Vigil Mechanism for Directors and Employee	Yes
7.	Related Party Transaction	23(1),(5),(6),(7) &(8)	Policy for Related Party Transaction	Yes
		23(2)&(3)	Approval including omnibus approval of Audit Committee for all Related Party Transactions and review of transaction by the Committee	Yes
		23(4)	Approval for Material Related Party Transactions	NA

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
8.	Subsidiaries of the Company	24(1)	Composition of Board of Directors of Unlisted Material Subsidiary	NA
		24(2),(3),(4),(5) & (6)	Other Corporate Governance requirements with respect to Subsidiary including Material Subsidiary of listed entity	Yes
9.	Obligations with respect to Independent Directors	25(1)&(2)	Maximum Directorship & Tenure	Yes
		25(3)	Meeting of Independent Directors	Yes
		25(4)	Review of Performance by the Independent Directors	Yes
		25(7)	Familiarisation Programme for Independent Directors	Yes
10.	Obligations with respect to Directors and Senior Management	26(1)&(2)	Memberships & Chairmanship in Committees	Yes
		26(3)	Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management Personnel	Yes
		26(4)	Disclosure of Shareholding by Non- Executive Directors	Yes
		26(5)	Disclosures by Senior Management about potential conflicts of Interest	Yes
11.	Other Corporate Governance Requirements	27(1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes
12.	Disclosures on Website of the Company	46(2)(b)	Terms and conditions of appointment of Independent Directors	Yes
		46(2)(c)	Composition of various committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct of Board of Directors and Senior Management Personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism / Whistle Blower policy	Yes
		46(2)(f)	Criteria of making payments to Non-Executive Directors	Yes
		46(2)(g)	Policy on dealing with Related Party Transactions	Yes
		46(2)(h)	Policy for determining Material Subsidiaries	Yes
		46(2)(i)	Details of familiarisation programmes imparted to Independent Directors	Yes

**By order of the Board**  
**Dilip Buildcon Limited**

**Dilip Suryavanshi**  
**Chairman & Managing Director**  
**DIN: 00039944**

**Devendra Jain**  
**Whole-time Director & CEO**  
**DIN: 02374610**

**Place: Bhopal**  
**Date: August 05, 2019**

## DECLARATIONS

### Compliance with the Code of conduct of Board of Directors and Senior Management

As provided under Regulation 26 (3) of the SEBI (LODR) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed the compliances to the Code of conduct of Board of Directors and Senior Management for the year ended March 31, 2019.

**For Dilip Buildcon Limited**

**Place: Bhopal**  
**Date: August 05, 2019**

**Devendra Jain**  
**Chief Executive Officer**

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## CEO / CFO CERTIFICATION

We the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Dilip Buildcon Limited ("the Company") to the best of our knowledge and belief certify that:

- a. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2019 and that to the best of our knowledge and belief, we state that:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:
  - i. Significant changes, if any, in internal control over financial reporting during the year;
  - ii. Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For Dilip Buildcon Limited**

**Devendra Jain**  
**Chief Executive Officer**

**Radhey Shyam Garg**  
**Chief Financial Officer**

**Place: Bhopal**  
**Date: August 05, 2019**

# ANNEXURE-A

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
Dilip Buildcon Limited  
CIN: L45201MP2006PLC018689  
Plot No. 05 Inside Govind Naryan Singh  
Chuna Bhatti, Kolar Road, Bhopal MP – 462016 IN

We have examined the following documents;

- i. Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 ('the Act');
- ii. Disclosure of concern or interests as required under Section 184 of the Act; (hereinafter referred to as 'relevant documents'),

as submitted by the Directors of Dilip Buildcon Limited bearing CIN: L45201MP2006PLC018689 and having registered office at Plot No. 05 Inside Govind Narayan Singh, Chuna Bhatti, Kolar Road, Bhopal MP – 462016 IN (hereinafter referred to as 'the Company'), to the Board of Directors of the Company ('the Board') for the financial year 2019-20. We have considered non-disqualification to include non-debarment.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

Based on our examination of relevant documents made available to us by the Company and such other verifications carried out by us as deemed necessary and adequate, in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorized representatives, we certify that as at end of the financial year 31st March 2019, none of the Directors on the Board of the Company, as listed hereunder, have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

Sr No.	Name of the Directors	DIN
1.	Dilip Suryavanshi	00039944
2.	Seema Suryavanshi	00039946
3.	Devendra Jain	02374610
4.	Vijay Chhibber	00396838
5.	Malay Mukherjee	02272425
6.	Aditya Vijay Singh	03585519
7.	Ashwini Verma	06939756
8.	Amogh Kumar Gupta	06941839
9.	Satish Chandra Pandey	07072768
10.	Ratna Dharashree Vishwanathan	07278291

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the Financial Year ended 31st March, 2019.

**For M/s PIYUSH BINDAL & ASSOCIATES**  
**Company Secretaries**

**CS Piyush Bindal**  
**(Proprietor)**  
**Membership No. FCS-6749**  
**CP No. 7442**

**Date: 03.08.2019**  
**Place: Bhopal**

## ANNEXURE-7

### INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

1. This certificate is issued in accordance with the terms of our engagement with DilipBuildcon Limited ('the Company').
2. This report contains details of compliance of conditions of corporate governance by the Company for the year ended on March 31, 2019, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as amended from time to time.
7. We have complied with the relevant applicable requirements of the standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Review of Historical Financial Information, and Other Assurance and Related Services Engagements.

#### Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

#### Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10)

**For Mukund M. Chitale & Co.**  
**Chartered Accountants**  
**Firm Registration No. 106655W**

**(S.M. Chitale)**  
**Partner**  
**M.No. 111383**  
**UDIN : 19111383AAAADT4866**

**Place: Mumbai**  
**Date: 05.08.2019**

#### Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') during the year ended March 31, 2017.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

#### Restriction on use

10. This certificate is issued solely for the purpose to enable the Company to comply with the requirements of the Listing Regulations, and it should not be used for any other person or for any other purpose. Accordingly, we do not assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our written prior consent in writing.

**For MSG & Associates**  
**Chartered Accountants**  
**Firm Registration No. 010254C**

**(Geeta Rajani)**  
**Partner**  
**M. No. 076889**  
**UDIN : 19076889AAAFD3815**

**Place: Bhopal**  
**Date: 05.08.2019**

# INDEPENDENT AUDITOR'S REPORT

To the Members of Dilip Buildcon Limited

## Report on the Audit of Standalone Ind AS Financial Statements

### 1. Opinion

We have audited the accompanying standalone financial statements of Dilip Buildcon Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'standalone financial statements').

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 Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended of the state of affairs of the Company as at March 31, 2019, its profits, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### 2. Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing, as prescribed under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 3 Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditors Response
1	<b>Revenue recognition and accounting for Construction contracts</b> Significant accounting judgements including estimation of costs to complete, determining the stage of completion and the timing of revenue recognition. For majority of its contracts, the Company recognizes revenue and profit on the stage of completion based on the proportion of contract costs incurred for the work performed to the balance sheet date, relative to the estimated costs on the contract at completion. The recognition of revenue and profit / loss therefore are based on estimates in relation to the estimated total costs of each contract. At each reporting date, revenue is accrued for costs incurred against work performed in accordance with the contract for which invoice may not have been raised. Identification that such accrual will result into work that would be billable and recoverable when the work has not been acknowledged by the customer involves significant amount of judgement.	We performed the following audit procedures:  Testing the design and implementation of internal controls including control over process for determining estimates used as evaluating whether they are operating effectively.  Testing related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.

S. No.	Key Audit Matter	Auditors Response
	Revenue on contracts may also include variable consideration (variations and claims). Variable consideration is recognized when the recovery of such consideration is highly probable. The nature of these judgements results in being subject to management override.	<p>Testing different sample of contracts for identification of performance obligations.</p> <p>Reviewed the Company's process of collecting information supporting the basis for accrual of costs against work performed upto the cut off dates. Reviewed the design and operating effectiveness of management's key controls in collecting such data with respect of costs.</p> <p>Tested the cut-offs for revenue recognized against such un-invoiced amounts and reviewed the process of such recognition.</p> <p>Review for change of scope and impact of the same on estimated costs to complete the contracts</p> <p>Perform analytical procedures for reasonableness of revenues disclosed by type of contracts.</p>
2	<p><b>Assessment of receivables (including unbilled receivables)</b></p> <p>Risk of material misstatement related to estimation of expected credit loss as a result of lack of precision in their measurement. The estimates depend on number of factors such as ageing, credit risks and the ability of the parties to make payment.</p>	<p>We performed the following audit procedures:</p> <p>Assessed the company basis for determining the model, internal controls based on which the Company determines the basis of provisioning, compliance with and consistently applying the accounting policies</p> <p>Verification of subsequent receipts and post balance sheet events if any.</p>
4.	<p><b>Other Information (Information other the standalone financial statements and Auditor's report thereon)</b></p> <p>The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors Report, Business Responsibility Report, Corporate Governance and Shareholders Information, but does not include the standalone financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.</p> <p>Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.</p> <p>In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to</p>	<p>those charged with governance and determine the actions under the applicable laws and regulations.</p> <p><b>5. Responsibility of Management and those charged with Governance for the Standalone Financial Statements</b></p> <p>The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.</p> <p>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</p>

completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## 6. Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with Standards on auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- i) Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls

system in place and the operating effectiveness of such controls.

- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- v) Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## 7. Report on Other Legal and Regulatory Requirements

- i) As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- ii) As required by section 143 (3) of the Act, based on our audit 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 purpose 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, Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the Statement of Cash Flows 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 Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended.
  - e) On the basis of written representations received from the directors of the Company as on March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of section 164 (2) of the Act.

### For Mukund M. Chitale & Co.

Chartered Accountants  
Firm Registration No. 106655W

### (S.M. Chitale)

Partner  
M. No. 111383

Place: Bhopal  
Date: 10.05.2019

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.
- g) With respect to the other matters to be included in the Auditors Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- h) 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements to the extent determinable/ascertainable. – Refer Note 25 to the standalone financial statements.
  - ii. The Company does not have any long-term contracts including derivative contracts for which there are 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 during the year ended March 31, 2019.

### For MSG & Associates.

Chartered Accountants  
Firm Registration No. 010254C

### (Geeta Rajani)

Partner  
M. No. 076889

Place: Bhopal  
Date: 10.05.2019

## Annexure ‘A’ to the Auditors’ Report

### Statement on the matters specified in paragraphs 3 and 4 of Companies (Auditor’s Report) Order, 2016

(Referred to in paragraph 7 (i) of our Audit Report of even date)

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets, except for certain items of plant and machinery and vehicles for which location of said assets were under process of being compiled/ updated.
- b) According to information and explanations given to us, fixed assets of the Company are being physically verified according to a phased programme of verification so as to verify all assets within a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. As informed, during the year no material discrepancies to the extent reconciled with the records available in this respect were noticed on such verifications
- c) According to the information and explanations given to us, the title deeds of immovable properties are in the name of the Company except the following, wherein the Company is in the process of updating the documents in the name of the Company.

Particulars	Gross Value (Amt. in Lakhs)	Net Value (Amt. in Lakhs)
Land	22.61	22.61

- ii) a) As per information and explanations given to us the inventory has been physically verified by the management at intervals as defined by the management. In our opinion, the frequency of verification needs to be further improved having regard to the size of the Company and nature of its business. As informed to us, the discrepancies noticed on verification to the extent reconciled with the records available in this respect between the physical stocks and the book records were not material and have been appropriately dealt with.
- iii) According to the information and explanations provided to us, the Company has given interest free unsecured loans to twenty-four subsidiaries and interest-bearing loans to two subsidiaries covered in the Register maintained under Section 189 of the Companies Act, in accordance with the relevant provisions of the Companies act.

- a) According to the information and explanations given to us and based on our audit procedures conducted by us, we are of the opinion that terms and conditions on which the unsecured loans have been granted to the subsidiary companies listed in the register maintained under Section 189 of the Act are not, prima facie, prejudicial to the interest of the Company.
- b) According to the information and explanations given to us, interest free unsecured loans given to twenty-four subsidiaries are repayable on demand. In respect of two subsidiary companies where Company has charged interest, there is no stipulation of schedule for payment of principal, interest is repaid as per specified repayment terms. The Borrowers have been regular in payment of principal and interest, if any, as demanded.
- c) According to the information and explanations given to us, since the repayment schedule for such loans is not stipulated, no loan is overdue and outstanding for more than ninety days.
- iv) In our opinion and according to the information and explanations provided to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, with respect to unsecured loans granted, Investments made and guarantees given.
- v) According to the information and explanations given to us, the Company has not accepted any deposits during the year from public within the meaning of the directives issued by Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder and thus the provisions of Clause 3(v) of the Order are not applicable.
- vi) The Company is required to maintain cost records as prescribed by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of the cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed records have been maintained. We have, however, not made a detailed examination of the said records.
- vii) a) According to the information and explanations given to us the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Custom

Duty, Excise Duty, Value Added Tax, Cess except for Provident Fund and Tax deducted at source wherein certain delays in payments were observed during the year ended 31.03.2019. There were no undisputed amounts of statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess which were due for more than six months from the date they become payable as at the year end.

- b) According to the records examined by us and as per the information and explanations given to us, the particulars of statutory dues as at March 31, 2019 which have not been deposited on account of disputes and the forum where the dispute is pending is as under:

Name of the Statute	Nature of Dues	Disputed Amount	Period to which it pertains	Forum where pending
Income Tax Act, 1961	Demand u/s 154	Rs. 4,437.30/- lakhs	F.Y. 2015-16	CIT(Appeals)

- viii) According to the information and explanations given to us, the Company has not defaulted in repayment of dues of loans taken from banks and financial institutions. The Company has not borrowed any amount from Debenture holders during the year.
- ix) According to the information and explanations given to us, the Company has not raised money by way of initial public offer of equity shares during the year. The Company has used the money raised by term loans during the year for the purpose for which they were raised.
- x) According to the information and explanations given to us, no material fraud on the Company by its officers or employees, has been noticed and reported during the year, nor have we been informed of such case by the management.

**For Mukund M. Chitale & Co.**

Chartered Accountants  
Firm Registration No. 106655W

**(S.M. Chitale)**

Partner  
M. No. 111383

Place: Bhopal

Date: 10.05.2019

- xi) According to the information and explanations given to us, and based on our examination of the records the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Companies Act, 2013

- xii) In our opinion and according to the information and explanation given to us, the Company is not a nidhi Company. Accordingly, provision of clause 3 (xii) of the order is not applicable.

- xiii) According to the information and explanation given to us and based on our verification of the records of the Company and on the basis of review and approvals by the Board of Directors and Audit Committee, the transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the standalone financial statements as required by applicable accounting standard.

- xiv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, therefore provisions of Clause 3(xiv) are not applicable.

- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or person connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable.

- xvi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India At, 1934. Accordingly, provisions of Clause 3 (xvi) of the Order are not applicable to the Company.

**For MSG & Associates.**

Chartered Accountants  
Firm Registration No. 010254C

**(Geeta Rajani)**

Partner  
M. No. 076889

Place: Bhopal

Date: 10.05.2019

## Annexure ‘B’ to the Auditors’ Report

### Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 7 (ii) (f) of our Audit Report of even date)

1. We have audited the internal financial controls over financial reporting of Dilip Buildcon Limited (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### Management’s Responsibility for Internal Financial Controls

2. The Company’s management is responsible for establishing and maintaining internal financial controls 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 on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India” (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors’ Responsibility

3. Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

4. A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the standalone financial statements.

#### Inherent Limitations of Internal Financial Controls over Financial Reporting

5. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur

## Annexure ‘B’ to the Auditors’ Report

and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

- 6 In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all

#### For Mukund M. Chitale & Co.

Chartered Accountants  
Firm Registration No. 106655W

#### (S.M. Chitale)

Partner  
M. No. 111383

Place: Bhopal  
Date: 10.05.2019

material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### For MSG & Associates.

Chartered Accountants  
Firm Registration No. 010254C

#### (Geeta Rajani)

Partner  
M. No. 076889

Place: Bhopal  
Date: 10.05.2019

## Balance Sheet as at 31 March 2019

(Rs. In Lakhs)

	Particulars	Note	31 March 2019	31 March 2018
	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	2.1	204,815.75	182,899.75
	(b) Other Intangible assets	2.2	3,407.39	292.42
	(c) Financial assets			
	(i) Investments	3	52,375.64	24,150.61
	(ii) Other financial assets	5	29,167.04	29,818.51
	(d) Other non-current asset	9	75,745.41	54,499.79
	<b>Total non-current assets</b>		<b>365,511.23</b>	<b>291,661.08</b>
(2)	<b>Current assets</b>			
	(a) Inventories	6	250,375.66	202,623.40
	(b) Financial assets			
	(i) Trade receivables	7	140,926.25	138,443.36
	(ii) Cash and cash equivalents	8	18,879.54	16,129.82
	(iii) Loans	4	77,779.14	55,990.67
	(iv) Other financial assets	5	44,674.00	23,272.61
	(c) Current tax asset (net)		1,725.25	2,108.86
	(d) Other current assets	9	163,215.65	112,261.56
	<b>Total current assets</b>		<b>697,575.49</b>	<b>550,830.28</b>
	Non current Assets held-for-sale	3	27,578.06	29,610.54
	<b>TOTAL ASSETS</b>		<b>1,090,664.78</b>	<b>872,101.90</b>
	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Equity share capital	10(a)	13,676.98	13,676.98
	(b) Other equity	10(b)	306,765.22	232,029.04
	<b>Total Equity</b>		<b>320,442.20</b>	<b>245,706.02</b>
	<b>Liabilities</b>			
(1)	<b>Non-current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	11	114,597.18	104,269.18
	(b) Provisions	14	8,488.44	6,320.49
	(c) Deferred tax liabilities(net)	16	1,711.62	10,670.91
	(d) Other non-current liabilities	15	88,021.56	39,865.55
	<b>Total non-current liabilities</b>		<b>212,818.80</b>	<b>161,126.13</b>
(2)	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	11	205,524.66	172,794.84
	(ii) Trade payable:-	12		
	- total outstanding dues of micro enterprises and small enterprises;		3,511.46	133.72
	- total outstanding dues of creditors other than micro enterprises and small enterprises;		168,895.45	150,643.84
	(iii) Other financial liabilities	13	56,741.36	32,249.40
	(b) Other current liabilities	15	93,935.20	81,002.22
	(c) Provisions	14	1,217.58	995.55
	<b>Total Current Liabilities</b>		<b>529,825.71</b>	<b>437,819.57</b>
	Liabilities in respect of non current assets classified as held for sale	15	27,578.06	27,450.19
	<b>Total Liabilities</b>		<b>770,222.58</b>	<b>626,395.89</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,090,664.78</b>	<b>872,101.90</b>

The Notes on Account form integral part of the Financial Statements

1 to 47

As per our Report of even date

**For MUKUND M CHITALE & CO.**  
Chartered Accountants  
Firm Regn. No. 106655W

**For MSG & ASSOCIATES.**  
Chartered Accountants  
Firm Regn. No. 010254C

**For & on behalf of the Board**

**(Dilip Suryavanshi)**  
Managing Director  
DIN: 00039944

**(Devendra Jain)**  
CEO and Whole-time Director  
DIN: 02374610

**(S. M. Chitale)**  
Partner  
M.No. 111383

**(Geeta Rajani)**  
Partner  
M.No. 076889

**(Satish Chandra Pandey)**  
Director  
DIN: 07072768

**(Radhey Shyam Garg)**  
Chief Financial Officer

**(Abhishek Shrivastava)**  
Company Secretary

Place: Bhopal  
Dated : 10.05.2019

Place: Bhopal  
Dated : 10.05.2019

Place: Bhopal  
Dated : 10.05.2019

# Statement of Profit and Loss for the year ended 31 March 2019

(Rs. In Lakhs)

	Particulars	Notes	Year ended 31 March, 2019	Year ended 31 March, 2018
I	Revenue from operations	17	911,821.93	774,587.68
II	Other income (net)	18	4,638.90	1,551.87
III	<b>Total Income (I + II)</b>		<b>916,460.83</b>	<b>776,139.55</b>
IV	Expenses			
	Cost of construction	19	716,590.72	589,260.26
	Purchases of Stock-in-Trade			
	Changes in inventories	20	(3,190.42)	11,536.05
	Employee benefits expense	21	17,735.62	15,239.83
	Finance cost	22	52,987.85	46,443.79
	Depreciation and amortization expense	2	32,018.76	27,495.46
	Other expenses	23	20,248.12	18,271.62
	<b>Total expenses (IV)</b>		<b>836,390.65</b>	<b>708,247.01</b>
V	Profit before exceptional items and tax (III - IV)		80,070.18	67,892.54
VI	Exceptional items		426.60	(1,520.77)
VII	<b>Profit before tax (V - VI)</b>		<b>80,496.78</b>	<b>66,371.77</b>
VIII	<b>Tax expense:</b>			
	(1) Current tax		12,990.24	1,277.13
	(2) Deferred tax - charge/(credit)	16	(8,987.53)	3,064.55
IX	<b>Profit for the year from continuing operations (VII - VIII)</b>		<b>76,494.07</b>	<b>62,030.09</b>
X	<b>Profit/(loss) for the year</b>		<b>76,494.07</b>	<b>62,030.09</b>
XI	<b>Other comprehensive income</b>			
	(i) Items that will not be reclassified to profit or loss	24	(80.82)	50.23
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(28.24)	(17.38)
XII	<b>Total Comprehensive Income for the year (X + XI)</b>		<b>76,385.01</b>	<b>62,062.93</b>
XIII	<b>Earnings per equity share (for continuing operations)</b>			
	(1) Basic	27	55.93	45.35
	(2) Diluted	27	55.93	45.35

The Notes on Account form integral part of the Financial Statements

1 to 47

As per our Report of even date

**For MUKUND M CHITALE & CO.**  
Chartered Accountants  
Firm Regn. No. 106655W

**For MSG & ASSOCIATES.**  
Chartered Accountants  
Firm Regn. No. 010254C

**For & on behalf of the Board**

**(Dilip Suryavanshi)**  
Managing Director  
DIN: 00039944

**(Devendra Jain)**  
CEO and Whole-time Director  
DIN: 02374610

**(S. M. Chitale)**  
Partner  
M.No. 111383

**(Geeta Rajani)**  
Partner  
M.No. 076889

**(Satish Chandra Pandey)**  
Director  
DIN: 07072768

**(Radhey Shyam Garg)**  
Chief Financial Officer

**(Abhishek Shrivastava)**  
Company Secretary

Place: Bhopal  
Dated : 10.05.2019

Place: Bhopal  
Dated : 10.05.2019

Place: Bhopal  
Dated : 10.05.2019

# Cash Flow Statement for the year ended 31 March 2019

(Rs. In Lakhs)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before Tax as per Statement of Profit and Loss</b>	<b>80,496.78</b>	<b>66,371.77</b>
Adjustments for:		
Depreciation	32,018.76	27,495.46
Interest income	(2,158.14)	(1,246.49)
Finance Income due to Unwinding of security deposit	(42.59)	(23.50)
(Profit)/Loss on Sale of Fixed Assets	(11.36)	(17.34)
Interest Expense	52,987.85	46,443.79
Provision for Doubtful Debts	11,000.00	4,200.00
Remeasurements gains /( losses) on post-employment benefits	(80.82)	50.23
Exceptional items - Loss on Sale of Subsidiary companies	(426.60)	(3,908.00)
Creditors w/back	-	(1,310.67)
<b>Operating Profit Before Working Capital changes</b>	<b>173,783.88</b>	<b>138,055.26</b>
Working Capital Changes:		
(Increase)/Decrease in Current and Non- Current Assets	(171,690.84)	(164,354.93)
Increase/(Decrease) in Current and Non Current Liabilities	107,338.17	82,897.92
Increase/(Decrease) in Provisions	2,389.98	366.66
<b>Cash generated from operations</b>	<b>111,821.19</b>	<b>56,964.92</b>
Income tax paid	(16,035.81)	(15,042.91)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES (TOTAL A)</b>	<b>95,785.38</b>	<b>41,922.00</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(57,111.96)	(44,424.40)
Sale of Fixed Assets	73.59	2,000.92
Purchase of Investments	(26,619.16)	(4,418.30)
Interest Received	2,158.14	1,246.49
<b>NET CASH USED IN INVESTING ACTIVITIES (TOTAL B)</b>	<b>(81,499.39)</b>	<b>(45,595.30)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
(Repayment) / Proceeds of / from Long Term Borrowings (net)	10,328.00	41,019.12
Proceeds from Short Term Borrowings (net)	32,729.82	15,480.72
Interest paid	(52,987.85)	(46,443.79)
Finance Income due to Unwinding of security deposit	42.59	23.50
Dividend Paid	(1,648.83)	(1,646.15)
<b>NET CASH USED IN FINANCING ACTIVITIES: (TOTAL C)</b>	<b>(11,536.27)</b>	<b>8,433.39</b>
<b>Net Increase/(Decrease) of Cash &amp; Cash Equivalents ( A+B+C)</b>	<b>2,749.72</b>	<b>4,760.09</b>
<b>Add: Cash &amp; Cash Equivalents at the beginning of the year</b>	<b>16,129.82</b>	<b>11,369.72</b>
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>18,879.54</b>	<b>16,129.82</b>

# Cash Flow Statement for the year ended 31 March 2019

## Closing Cash and Cash Equivalents

Cash in Hand	252.98	625.24
Bank Balance with Scheduled Banks		
in Current Account	1,691.95	2,719.26
in Fixed Deposit Account	16,934.61	12,785.32
	<b>18,879.54</b>	<b>16,129.82</b>

i. The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard 7 - Statement of Cash Flow.

ii. Figures in bracket indicate cash outflow

The Notes on Account form integral part of the Financial Statements

1 to 47

As per our Report of even date

**For MUKUND M CHITALE & CO.**  
Chartered Accountants  
Firm Regn. No. 106655W

**For MSG & ASSOCIATES.**  
Chartered Accountants  
Firm Regn. No. 010254C

**For & on behalf of the Board**

**(Dilip Suryavanshi)**  
Managing Director  
DIN: 00039944

**(Devendra Jain)**  
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**(S. M. Chitale)**  
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Director  
DIN: 07072768

**(Radhey Shyam Garg)**  
Chief Financial Officer

**(Abhishek Shrivastava)**  
Company Secretary

Place: Bhopal  
Dated : 10.05.2019

Place: Bhopal  
Dated : 10.05.2019

Place: Bhopal  
Dated : 10.05.2019

# Statement of changes in equity for the year ended 31 March 2019

## A. Equity share capital

(Rs. In Lakhs)

Particulars	Note	Amount (Rs.)
<b>Balance as on 1 April 2017</b>		<b>11,713.51</b>
Changes in equity share capital during the year 2017-18		1,963.47
<b>Balance as on 31 March 2018</b>		<b>13,676.98</b>
Balance as on 1 April 2018		13,676.98
Changes in equity share capital during the year 2018-19	10(a)	-
<b>Balance as on 31 March 2019</b>		<b>13,676.98</b>

## B. Other equity

(Rs. In Lakhs)

Particulars	Reserves and Surplus			Total
	Securities Premium	Retained Earnings	Debenture Redemption Reserve	
<b>Balance as on 31 March 2017</b>	<b>42,294.46</b>	<b>129,317.79</b>	<b>-</b>	<b>171,612.25</b>
Profit or (loss)	-	62,030.09	-	62,030.09
Other comprehensive income (net of tax)	-	32.85	-	32.85
Dividends	-	(1,367.71)	-	(1,367.71)
Tax on dividend	-	(278.44)	-	(278.44)
Transferred to Debenture Redemption Reserve (Note 43)	-	(15,000.00)	15,000.00	-
<b>Balance as on 31 March 2018</b>	<b>42,294.46</b>	<b>174,734.58</b>	<b>15,000.00</b>	<b>232,029.04</b>
Profit or (loss) during the year	-	76,494.07	-	76,494.07
Other comprehensive income (net of tax)	-	(109.06)	-	(109.06)
Dividend	-	(1,367.70)	-	(1,367.70)
Tax on dividend	-	(281.13)	-	(281.13)
<b>Balance as on 31 March 2019</b>	<b>42,294.46</b>	<b>249,470.76</b>	<b>15,000.00</b>	<b>306,765.22</b>

As per our Report of even date

**For MUKUND M CHITALE & CO.**  
Chartered Accountants  
Firm Regn. No. 106655W

**For MSG & ASSOCIATES.**  
Chartered Accountants  
Firm Regn. No. 010254C

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Company Secretary

Place: Bhopal  
Dated : 10.05.2019

Place: Bhopal  
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Place: Bhopal  
Dated : 10.05.2019

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

## 1. Company Overview and Significant Accounting Policies

### 1.1 Company Overview

Dilip Buildcon Limited (the 'company') is domiciled in India with its registered office at Bhopal, Madhya Pradesh, India. The Company has been incorporated under the provisions of the Companies Act, 1956.

The Company's equity shares are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) with effect from 11 August 2016.

The company is presently in the business of development of infrastructure facilities on Engineering Procurement and Construction basis (EPC) and undertakes contract from various Government and other parties and special purpose vehicles promoted by the Company.

### 1.2 Basis of Preparation of financial statements

The Company's financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs under sections 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules 2016.

The financial statements of the Company for the year ended 31st March 2019 were approved for issue in accordance with the resolution of the Board of Directors on 10th May 2019.

### 1.3 Basis of accounting

The Company maintains its accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair values in accordance with Ind AS. Further, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable except to the extent where compliance with other statutory promulgations override the same requiring a different treatment.

### 1.4 Presentation of Financial Statements

The Balance Sheet, Statement of Profit and Loss and Statement of Changes in equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 1.5 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

This note provides an overview of the areas that involved a higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in the relevant note.

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

## A. Judgements in applying accounting policies

The judgements, apart from those involving estimations (see note below) that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of assets. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement.

## B. Key source of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### a) Property, Plant and Equipment

Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

### b) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined based on the prevailing market yields of Indian Government Securities as at the Balance Sheet Date for the estimated term of the obligations

### c) Recognition of deferred tax assets

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

### d) Recognition and measurement of other provision

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

### e) Discounting of long-term financial instrument

All financial instruments are required to be measured at fair value on initial recognition. In case of financial instruments which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest method.

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

## 1.6 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

## 1.7 Property, plant and equipment

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

## 1.8 Intangible Assets

Intangible assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition at cost comprising the purchase price and directly attributable costs to prepare the assets for its intended use.

Intangible assets that have finite lives are amortised over their useful lives by the straight line method.

## 1.9 Investments in associates, joint ventures and subsidiaries

The Company has accounted for its investment in subsidiaries at cost.

The Company has elected to continue with the carrying value of its investment in subsidiaries recognised as at 1st April 2015, measured as per previous GAAP and hence the carrying value is considered to be the deemed cost of such investment.

## 1.10 Inventories

Construction material, components, stores and spares are valued at lower of cost or net realisable value. Cost is determined on first in first out basis and comprise all cost of purchase, duties, taxes and all other costs incurred in bringing the inventory to their present location and condition.

## 1.11 Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's net selling price or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Impairment losses are recognised in the statement of profit and loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

## 1.12 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial Assets

#### Initial Recognition

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets that are not at fair value through profit or loss are added to the fair value on initial recognition.

#### Subsequent measurement

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Derecognition

The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

#### Impairment of financial asset

For impairment of financial assets, Company applies expected credit loss (ECL) model. Following financial assets and credit risk exposure are covered within the ECL model:

- a. Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balance
- b. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables including receivables recognised under service concession arrangements.

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, then the impairment loss is provided based on lifetime ECL.

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

## Financial liabilities

### Initial recognition

The company initially recognises borrowings, trade payables and related financial liabilities on the date on which they are originated.

All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the company becomes a party to the contractual provisions of the instrument.

Non-derivative financial liabilities are initially recognised at fair value, net of transaction costs incurred.

### Subsequent measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## 1.13 Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease

## 1.14 Provisions and Contingencies

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events, it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Contingent liabilities are not provided for and are disclosed by way of notes.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost in the statement of profit and loss

## 1.15 Revenue recognition

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably.

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

If the outcome of a construction contract can be estimated reliably, contract revenue is recognised in profit or loss in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to surveys of work performed. Otherwise, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

Revenue related to construction or upgrade services provided under a service concession arrangement is recognised based on the stage of completion of the work performed. Operation or service revenue is recognised in the period in which the services are provided by the company

Interest income is recognised in the Statement of Profit and Loss using the effective interest method.

## 1.16 Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the company will obtain ownership by the end of the lease term. Freehold land is not depreciated.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

## 1.17 Borrowing Cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

## 1.18 Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit or loss attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period present

## 1.19 Cash Flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## 1.20 Employee Benefits

### Short Term Employment benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognized in the period in which the

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

employee renders the related service. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### Post Employment Employee Benefits

Retirement benefits to employees comprise payments to government provident funds, gratuity fund and Employees State Insurance.

### Defined Contribution Plans

The Company's contribution to defined contributions plans such as Provident Fund, Employee State Insurance are recognised in the Statement of Profit and Loss in the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective Funds

### Defined Benefit Plans

Gratuity liability is defined benefit obligation. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary, using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Actuarial gains/losses are recognized in the other comprehensive income.

## 1.21 Income Taxes

### Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum alternative tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay income tax higher than that computed under MAT, during the year that MAT is permitted to be set off under the Income Tax Act, 1961 (specified year). In the year, in which the MAT credit becomes eligible to be recognized as an asset the said asset is created by way of a credit to the Statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay income tax higher than MAT during the specified year.

## Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year.

## 1.22 Assets Held for Sale

Non-current assets are classified as held for sale when their carrying amount will be recovered principally through a sale transaction rather than continuing use and a sale is highly probable.

Assets designated as held for sale are held at the lower of carrying amount at designation and fair value less costs to sell.

## 1.23 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

For cash and other liquid assets, the fair value is assumed to approximate to book value, given the short term nature of these instruments. For those items with a stated maturity exceeding twelve months, fair value is calculated using a discounted cash flow methodology.

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another.

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

## 1.24 Recent accounting developments

The Ministry of Corporate Affairs (MCA) vide the Companies (Indian Accounting Standards) Amendment Rules, 2019 has notified Ind AS 116 and amendments to Ind AS:

### Ind AS 116, Leases:

Ind AS 116 was notified on March 30, 2019 and is applicable to the Company from financial year beginning April 1, 2019. Ind AS 116 has introduced a single lease accounting model which requires a lessee to recognize a right-of-use asset and a lease liability by assessing whether a contract is, or contains a lease at the inception of the contract. The standard specifies the manner in which an initial lease liability will be measured and the cost of the right-of-use asset will be recognized. The standard also provides certain exemptions from recognition; based on the term of lease contracts and the underlying asset values. Lessor accounting requirements are substantially in-line with Ind AS 17. Ind AS 116 permits two methods of transition: i) full retrospective method: retrospective application to each prior reporting period applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors or, ii) modified retrospective method: retrospective application with cumulative effect of initially applying Ind AS 116 recognized at the date of initial application (i.e. April 1, 2019). Certain practical expedients are available under both the methods. The standard also contains additional disclosures requirements as defined in Ind AS 116. The Company will adopt the new standard effective April 1, 2019 using the modified retrospective method and is in the process of evaluating its lease arrangements as required by Ind AS 116.

### Appendix C to Ind AS 12 Uncertainty over Income Tax Treatments

On March 30, 2019, The Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

This amendment will come into force from April 1, 2019. The Company is evaluating the requirements of the amendment and the effect on the standalone financial statements.

### Amendment to Ind AS 19 – Employee benefits

On March 30, 2019, The Ministry of Corporate Affairs has notified amendments to Ind AS 19 in connection with accounting for plan amendment, curtailment and settlement. The Amendment requires the Company to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment and settlement and to recognize in profit or loss as part of the past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

The amendment will come into force from April 1, 2019. The Company does not have any impact on account of this amendment.

### Note 2.1: Property, Plant and Equipment

(Rs. In Lakhs)

Sr. no	Description of Assets *	GROSS BLOCK			DEPRECIATION			WRITTEN DOWN VALUE		
		As at 01/04/2018	Additions	Deductions	As at 31/03/2019	As at 01/04/2018	For the year	Deductions	As at 31/03/2019	As at 31/03/2019
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	Land	7,612.48	2,414.66	-	10,027.13	-	-	-	-	10,027.13
2	Residential Flat	16.59	-	-	16.59	1.17	0.28	-	1.45	15.14
3	Computer & Printer	1,312.08	419.36	-	1,731.44	904.12	255.87	-	1,159.99	571.45
4	Plant & Machinery	269,034.26	46,674.06	199.98	315,508.33	98,208.42	30,699.47	159.12	128,748.77	186,759.56
5	Office Equipment	1,370.93	3,262.03	-	4,632.96	762.53	340.77	-	1,103.30	3,529.66
6	Vehicles	3,975.16	330.13	71.69	4,233.60	1,264.15	490.03	50.32	1,703.86	2,529.74
7	Furniture & Fixtures	488.05	755.00	-	1,243.05	202.12	72.96	-	275.08	967.97
8	Vessel	449.50	-	-	449.50	16.77	17.63	-	34.40	415.10
	<b>Total</b>	<b>284,259.05</b>	<b>53,855.24</b>	<b>271.67</b>	<b>337,842.60</b>	<b>101,359.28</b>	<b>31,877.01</b>	<b>209.44</b>	<b>133,026.85</b>	<b>204,815.75</b>
	Previous Year	242,051.27	44,410.60	2,202.83	284,259.04	74,202.48	27,376.05	219.24	101,359.29	182,899.75

\* Refer Note No.11 for details of Property, Plant & Equipment that have been pledged as a security/mortgaged with various Banks / Financial institutions against loans taken

### Note 2.2: Other Intangible Assets

(Rs. In Lakhs)

Sr. no	Description of Assets	GROSS BLOCK			DEPRECIATION			WRITTEN DOWN VALUE		
		As at 01/04/2018	Additions	Deductions	As at 31/03/2019	As at 01/04/2018	For the year	Deductions	As at 31/03/2019	As at 31/03/2019
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	Computer Software	720.75	3,256.73	-	3,977.48	428.33	141.76	-	570.09	3,407.39
		720.75	3,256.73	-	3,977.48	428.33	141.76	-	570.09	3,407.39
	Previous Year	706.95	13.80	-	720.75	308.93	119.40	-	428.33	292.42

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

## Note 3: Investment

(Rs. In Lakhs)

	31 March 2019		31 March 2018	
	No. of Shares	Amount	No. of Shares	Amount
<b>Non-current Investment</b>				
Unquoted equity shares				
<b>Equity shares of subsidiary companies at cost</b>				
1 Suryavanshi Infrastructure Private Limited	22,568	168.30	22,568	168.30
2 Jalpa Devi Tollways Limited	2,132,230	11,220.00	2,132,230	11,220.00
3 DBL Hassan Periyapatna Tollways Limited	87,227	1,808.65	87,227	1,808.65
4 DBL Hirekerur Ranibennur Tollways Limited	119,834	1,603.04	119,834	1,603.03
5 DBL Mundargi Harapanahalli Tollways Limited	105,661	1,379.00	105,661	1,379.00
6 DBL Lucknow Sultanpur Highways Limited	2,099,611	7,115.00	2,099,611	7,115.00
7 DBL Tuljapur Ausa Highways Limited	138,000	1,532.75	25,500	2.55
8 DBL Kalmath Zarap Highways Limited	50,000	5.00	50,000	5.00
9 DBL Chandikhole Bhadrak Highways Private Limited	395,331	6,109.00	50,000	5.00
10 DBL Mahagaon Yavatmal Highways Private Limited	109,712	960.03	100,000	10.00
11 DBL Yavatmal Wardha Highways Private Limited	100,000	10.00	100,000	10.00
12 DBL Wardha Butibori Highways Private Limited	100,000	10.00	100,000	10.00
13 DBL VPR Mining Private Limited	7,400	0.74	7,400	0.74
14 DBL Anandapuram Anakapally High Private Limited	399,800	11,010.06	-	-
15 DBL Bangalore Nigagatta High Private Limited	50,000	5.00	-	-
16 DBL Borgaon Watambare Highway Private Limited	50,000	5.00	-	-
17 DBL Byrapura Challakere High.Private Limited	730,062	4,060.01	-	-
18 DBL Gorhar Khairatunda High Private Limited	50,000	5.00	-	-
19 DBL Mangalwedha Solapur Hihg. Private Limited	50,000	5.00	-	-
20 DBL Manglore Highways Private Limited	50,000	5.00	-	-
21 DBL Nidagatta Mysore Highways Private Limited	50,000	5.00	-	-
22 DBL Rewa Sidhi Highways Private Limited	159,611	4,530.01	-	-
23 DBL Sangli Borgaon Highways Private Limited	50,000	5.00	-	-
24 DBL Bellary Byrapura Highways Private Limited	50,000	5.00		
25 DBL Pachwara Coal Mine Private Limited	7,400	0.74		
26 Bhavya Infra & Systems Private Limited	295,949	63.30	295,949	63.30
27 Jalpa Devi Engineering Private Limited	50,000	5.00	50,000	5.00
<b>Total</b>	<b>7,510,396</b>	<b>51,630.62</b>	<b>5,345,980</b>	<b>23,405.57</b>
Equity shares of associate company at cost				
1 DBL Nadiad Modasa Tollways Limited	7,450,300	745.02	7,450,300	745.04
<b>Total</b>	<b>7,450,300</b>	<b>745.02</b>	<b>7,450,300</b>	<b>745.04</b>
<b>Total (a+b)</b>	<b>14,960,696</b>	<b>52,375.64</b>	<b>12,796,280</b>	<b>24,150.61</b>

	31 March 2019		31 March 2018	
	No. of Shares	Amount	No. of Shares	Amount
<b>Non Current Assets Held for Sale</b>				
<b>(a) Equity shares of subsidiary companies at cost</b>				
1 DBL Hata Dargawon Tollways Limited	79,756	1,355.03	79,756	1,355.03
2 DBL Patan Rehli Tollways Limited	51,532	1,788.61	51,532	1,788.61
3 DBL Betul Sarni Tollways Limited	1,660,800	8,059.00	1,660,800	8,059.00
4 DBL Tikamgarh Nowgaon Tollways Limited	848,462	2,600.00	848,462	2,600.00
5 Suryavanshi Infrastructure Private Limited	64,232	479.00	64,232	479.00
6 Jalpa Devi Tollways Limited	2,048,614	10,780.00	2,048,614	10,780.00
<b>Total</b>	<b>4,753,396</b>	<b>25,061.64</b>	<b>4,753,396</b>	<b>25,061.64</b>
<b>(b) Equity shares of associate companies at cost</b>				
1 DBL Ashoknagar-Vidisha Tollways Limited	5,988,100	598.81	5,988,100	598.81
2 DBL Bankhlafata Dongawa Tollways Limited	-	-	4,800,100	480.00
3 DBL Jaora Sailana Tollways Limited	-	-	6,000,100	600.00
4 DBL Mundi Sanawad Tollways Limited	-	-	300,100	631.41
5 DBL Nadiad Modasa Tollways Limited	-	-	8,596,600	114.63
6 DBL Sardarpur Badnawar Tollways Limited	-	-	75,100	300.12
7 DBL Silwani Sultanganj Tollways Limited	-	-	300,100	631.41
8 DBL Sitamau Suwasara Tollways Limited	-	-	2,325,100	232.51
9 DBL Uchera Nagod Tollways Limited	-	-	9,600,100	960.01
<b>Total</b>	<b>5,988,100</b>	<b>598.82</b>	<b>37,985,400</b>	<b>4,548.90</b>
<b>(c) Equity shares of Other companies at cost</b>				
1 DBL Bankhlafata Dongawa Tollways Limited	2,400,000	240.00	-	-
2 DBL Jaora Sailana Tollways Limited	3,000,000	300.00	-	-
3 DBL Mundi Sanawad Tollways Limited	150,000	315.68	-	-
4 DBL Sardarpur Badnawar Tollways Limited	37,500	150.00	-	-
5 DBL Silwani Sultanganj Tollways Limited	150,000	315.68	-	-
6 DBL Sitamau Suwasara Tollways Limited	1,162,500	116.25	-	-
7 DBL Uchera Nagod Tollways Limited	4,800,000	480.00	-	-
<b>Total</b>	<b>11,700,000</b>	<b>1,917.60</b>	<b>-</b>	<b>-</b>
<b>Total (a+b+c)</b>	<b>22,441,496</b>	<b>27,578.06</b>	<b>42,738,796</b>	<b>29,610.54</b>
<b>Total</b>	<b>37,402,192</b>	<b>79,953.71</b>	<b>55,535,076</b>	<b>53,761.15</b>
<b>Total Non-current</b>		<b>79,953.71</b>		<b>53,761.15</b>
<b>Total Current</b>		<b>-</b>		<b>-</b>
<b>Aggregate amount of unquoted investments</b>		<b>79,953.71</b>		<b>53,761.15</b>

a) In all the above investments, few shares are held by individuals as nominees of the company.

b) The company has pledged the equity shares from its holding, the details are given as below:

**i) Non-Current Investments**

<b>Name of the Company</b>	<b>% of Shares pledged</b>
Companies at Sr. No. 3 to 5	100%
Companies at Sr. No. 6, 7,9,10,14 to 17, 19,21,23	51%
Company at Sr. No. 8, 22	30%
Companies at Sr. No. 11, 12	26%

**ii) Non-Current Assets held for Sale - Subsidiary Companies**

<b>Name of the Company</b>	<b>% of Shares pledged</b>
Companies at Sr. No. 2	100%
Company at Sr. No. 1	30%

**iii) Non-Current Assets held for Sale - Associate Companies**

<b>Name of the Company</b>	<b>% of Shares pledged</b>
Companies at Sr. No. 1	100%

**Note 4: Loans**

		(Rs. In Lakhs)	
<b>Sr. No.</b>	<b>Particulars</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
	<b>Current</b>		
<b>(i) Loans to Subsidiaries</b>			
	(a) Loans Receivables considered good - Secured	-	-
	(b) Loans Receivables considered good - Unsecured	75,330.80	52,160.62
	(c) Loans Receivables which have significant risk in Credit Risk	-	-
	(d) Loans Receivables - credit impaired	-	-
		75,330.80	52,160.62
<b>(ii) Loans to Associates and Joint Ventures</b>			
	(a) Loans Receivables considered good - Secured	-	-
	(b) Loans Receivables considered good - Unsecured	1.10	3,830.05
	(c) Loans Receivables which have significant risk in Credit Risk	-	-
	(d) Loans Receivables - credit impaired	-	-
		1.10	3,830.05
<b>(iii) Loans to Other Related Parties</b>			
	(a) Loans Receivables considered good - Secured	-	-
	(b) Loans Receivables considered good - Unsecured	54.10	-
	(c) Loans Receivables which have significant risk in Credit Risk	-	-
	(d) Loans Receivables - credit impaired	-	-
		54.10	-
<b>(iv) Loans to Others</b>			
	(a) Loans Receivables considered good - Secured	-	-
	(b) Loans Receivables considered good - Unsecured	2,393.13	-
	(c) Loans Receivables which have significant risk in Credit Risk	-	-
	(d) Loans Receivables - credit impaired	-	-
		2,393.13	-
	<b>Total</b>	<b>77,779.14</b>	<b>55,990.67</b>

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

**4.1** The company has given interest free loan to its related parties and interest bearing loan to 'Others'

**4.2** The loans are given for expansion and general purpose of the business.

**4.3** The loan given is repayable by the related and non-related parties 'on demand'.

**4.4** Disclosure pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 186 of the Companies Act, 2013

(Rs. In Lakhs)

Particulars	Outstanding Balance	
	31 March 2019	31 March 2018
DBL Betul Sarni Tollways Limited	-	1,753.49
DBL Tikamgarh Nowgaon Tollways Limited	-	950.58
Suryavanshi Infrastructure Private Limited	-	2,716.22
DBL Hata Dargawon Tollways Limited	-	1,303.96
DBL Patan Rehli Tollways Limited	-	4,056.23
Jalpa Devi Tollways Limited	601.80	6,095.83
DBL Hassan Periyapatna Tollways Ltd	2387.70	1,245.15
DBL Hirekerur Ranibennur Tollways Ltd	2629.19	1,840.21
DBL Mundargi Harapanahalli Tollways Ltd	2672.94	1,918.74
DBL Lucknow Sultanpur Highways Ltd	17418.32	7,224.89
DBL Tuljapur Ausa Highways Ltd	790.31	-
DBL Kalmath Zarap Highways Ltd	5609.61	4,025.70
Bhavya Infra & Systems Private Limited	586.80	586.80
Jalpa Devi Engineering Private Limited	5422.98	1,276.57
DBL Mahagaon Yavatmal Highways Private Ltd	6122.00	6,230.93
DBL Yavatmal Wardha Highways Private Ltd	9476.40	5,306.65
DBL Wardha Butibori Highways Private Ltd	8346.88	5,628.57

Particulars	Outstanding Balance	
	31 March 2019	31 March 2018
DBL VPR Mining Private Ltd	50.11	0.10
DBL Bangalore Nidagatta Highways Private Limited	1016.25	-
DBL Anandapuram Anakapalli Highways Private Limited	2231.07	-
DBL Gorhar Khairatunda Highways Private Limited	342.73	-
DBL Chandikhole Bhadrak Highways Private Limited	1347.29	-
DBL Nidagatta Mysore Highways Private Limited	1043.26	-
DBL Rewa Sidhi Highways Private Limited	4530.01	-
DBL Byrapura Challakere Highways Private Limited	821.98	-
DBL Mangloor Highways Private Limited	782.11	-
DBL Sangli Bargaon Highways Private Limited	216.20	-
DBL Bargaon Watambare Highways Private Limited	216.18	-
DBL Mangalwedha Solapur Highways Private Limited	247.72	-
DBL Bellary Byrapura Highways Private Limited	381.52	-
DBL Pachwara Coal Mines Private Limited	39.43	-
<b>Total</b>	<b>75,330.80</b>	<b>52,160.62</b>

(Rs. In Lakhs)

Particulars	Maximum balance outstanding during the year	
	Year ended 31 March 2019	Year ended 31 March 2018
DBL Betul Sarni Tollways Limited	-	3,534.45
DBL Tikamgarh Nowgaon Tollways Limited	-	1,440.36
Suryavanshi Infrastructure Private Limited	-	2,952.14
DBL Hata Dargawon Tollways Limited	-	1,362.51
DBL Patan Rehli Tollways Limited	-	4,056.23

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Particulars	Maximum balance outstanding during the year	
	Year ended 31 March 2019	Year ended 31 March 2018
Jalpa Devi Tollways Limited	7451.90	6,095.83
DBL Hassan Periyapatna Tollways Ltd	2387.70	1,245.15
DBL Hirekerur Ranibennur Tollways Ltd	2629.19	1,840.21
DBL Mundargi Harapanahalli Tollways Ltd	2672.94	1,918.74
DBL Lucknow Sultanpur Highways Ltd	17442.15	7,711.04
DBL Tuljapur Ausa Highways Ltd	2070.51	-
DBL Kalmath Zarap Highways Ltd	5609.96	4,025.70
Bhavya Infra & Systems Private Limited	715.73	586.80
Jalpa Devi Engineering Private Limited	5422.98	1,276.57
DBL Mahagaon Yavatmal Highways Private Ltd	6385.57	6,230.93
DBL Yavatmal Wardha Highways Private Ltd	9476.43	5,306.65
DBL Wardha Butibori Highways Private Ltd	8347.30	5,628.57
DBL VPR Mining Private Ltd	50.11	0.10
DBL Bangalore Nidagatta Highways Private Limited	1016.27	-
DBL Anandapuram Anakapalli Highways Private Limited	2231.07	-
DBL Gorhar Khairatunda Highways Private Limited	342.74	-
DBL Chandikhole Bhadrak Highways Private Limited	1347.29	-
DBL Nidagatta Mysore Highways Private Limited	1043.25	-

Particulars	Maximum balance outstanding during the year	
	Year ended 31 March 2019	Year ended 31 March 2018
DBL Rewa SidhiHighways Private Limited	4531.16	-
DBL Byrapura Challakere Highways Private Limited	821.98	-
DBL Mangloor Highways Private Limited	782.12	-
DBL Sangli Bargaon Highways Private Limited	216.23	-
DBL Bargaon Watambare Highways Private Limited	216.51	-
DBL Mangalwedha Solapur Highways Private Limited	248.04	-
DBL Bellary Byrapura Highways Private Limited	381.58	-
DBL Pachwara Coal Mines Private Limited	39.43	-
<b>Total</b>	<b>83,880.14</b>	<b>55,211.98</b>

### Note 5: Other Financial Assets

(Rs. In Lakhs)

Sr. No.	Particulars	31 March 2019	31 March 2018
	Non-Current		
	Unsecured, considered good		
(a)	Security deposits*	21,297.87	23,269.79
(b)	Bank Deposits with more than 12 Months maturity (Note 8)	7,869.17	6,548.72
	<b>Total Non-current</b>	<b>29,167.04</b>	<b>29,818.51</b>
	Current		
(a)	Advance Recoverable in cash or kind	44,674.00	23,272.61
	<b>Total current</b>	<b>44,674.00</b>	<b>23,272.61</b>
	<b>Total</b>	<b>73,841.04</b>	<b>53,091.12</b>

\* Includes Rs. 6,676.14/- lakhs (P.Y. Rs. 3,468.88/- lakhs) receivable from related parties

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

### Note 6: Inventories

		(Rs. In Lakhs)	
Sr. No.	Particulars	31 March 2019	31 March 2018
(a)	Inventory	233,502.06	188,940.22
(b)	Work In Progress	16,873.60	13,683.18
	<b>Total</b>	<b>250,375.66</b>	<b>202,623.40</b>

### Note 7: Trade Receivables

		(Rs. In Lakhs)	
Particulars	31 March 2019	31 March 2018	
<b>Current</b>			
(a) Trade Receivables considered good - Secured	-	-	
(b) Trade Receivables considered good - Unsecured*	140,926.25	138,443.36	
(c) Trade Receivables which have significant risk in Credit Risk	-	-	
(d) Trade Receivables - credit impaired	24,250.00	13,250.00	
	165,176.25	151,693.36	
<b>Less: Allowance for Doubtful debt</b>	<b>24,250.00</b>	<b>13,250.00</b>	
<b>Total</b>	<b>140,926.25</b>	<b>138,443.36</b>	

\* Includes Rs. 71,752.35/- lakhs (P.Y. Rs. 70,909.85/- lakhs) receivable from related parties

7.1 There are no trade receivables due from any director or any officer of the company, either severally or jointly with any other person, or from any firms or private companies in which any director is a partner, a director or a member

7.2 Movement in the expected credit loss allowance:

Particulars	31 March 2019	31 March 2018
Balance at the beginning of the year	13,250.00	9,050.00
Add: Provision made during the year	11,000.00	4,200.00
<b>Balance at the end of the year</b>	<b>24,250.00</b>	<b>13,250.00</b>

### Note 8: Cash & Cash Equivalents

		(Rs. In Lakhs)	
Particulars	31 March 2019	31 March 2018	
(a) Cash in hand	252.98	625.24	
(b) Balances with bank			
(i) Current accounts	1,691.95	2,719.26	
(ii) Fixed deposit accounts*	24,803.78	19,334.04	
	26,748.71	22,678.54	
Less: Fixed Deposits having maturity more than a year shown under Other Financial Assets (Refer Note 5)	7,869.17	6,548.72	
<b>Total</b>	<b>18,879.54</b>	<b>16,129.82</b>	

8.1 \* Includes Fixed Deposits of Rs. 21,379.82/- lakhs (P.Y. Rs. 15,294.49/- lakhs) which have been kept as margin money for Bank Guarantee/Letter of Credit availed from bank and Rs. 1,395.79/- lakhs (P.Y. Rs. 953.13/- lakhs) which have been kept as Collateral Security for various facilities availed from the bank.

### Note 9: Other Assets

		(Rs. In Lakhs)	
Sr. No.	Particulars	31 March 2019	31 March 2018
	<b>Non-current</b>		
	<b>Unsecured, considered good</b>		
(a)	Capital advances	10,597.24	3,728.70
(b)	Advances other than capital advances		
(i)	Other Advances*	2,747.91	2,667.17
(ii)	Retention Money, Withheld Money, Security & Other Deposits#	89,968.03	46,916.04
	Less : Current portion	74,221.23	41,183.15
		<b>15,746.80</b>	<b>5,732.89</b>
(iii)	Performance security deposit	1,073.56	1,073.56
	Less : Current portion	-	-
		1,073.56	1,073.56
(c)	MAT Credit Entitlement	45,579.89	41,297.47
	<b>Total Non-current</b>	<b>75,745.41</b>	<b>54,499.79</b>
	<b>Current</b>		
(a)	Retention Money, Withheld Money, Security & Other Deposits	74,221.23	41,183.15
(b)	Advance to Suppliers/ Creditors	62,296.33	45,428.63
(d)	Other Advances	625.00	-

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

(e)	Deposit with Govt Authorities	23,101.92	22,021.40
(f)	Staff Advance	1,096.99	552.77
(g)	Prepaid Expenses	1,874.18	3,075.61
	<b>Total Current</b>	<b>163,215.65</b>	<b>112,261.56</b>
	<b>Total</b>	<b>238,961.05</b>	<b>166,761.35</b>

\* Includes Rs. 1,040.51/- lakhs (P.Y. Rs. 509.33/- lakhs) receivable from related parties.

# Includes Rs. 11,232.30/- lakhs (P.Y. Rs. 2,522.16/- lakhs) receivable from related parties.

<b>Note 10(a): Equity Share Capital</b>		(Rs. In Lakhs)	
<b>Particulars</b>	<b>31 March 2019</b>	<b>31 March 2018</b>	
<b>Authorised share capital</b>			
16,00,00,000 Equity Shares of Rs.10 each	16,000.00	16,000.00	
(P.Y. 16,00,00,000 Equity Shares of Rs.10/- each)			
	<b>16,000.00</b>	<b>16,000.00</b>	

<b>Issued, subscribed and fully paid-up shares</b>		
13,67,69,768 Equity Shares of Rs.10 each	13,676.98	13,676.98
(P.Y. 13,67,69,768 Equity Shares of Rs.10/- each)		
<b>Total</b>	<b>13,676.98</b>	<b>13,676.98</b>

### A) Terms/rights attached to equity shares

- The Company has one class of shares referred to as Equity Shares having face values of Rs. 10/- each.
- Out of issued, subscribed and paid up Equity Shares 7,04,76,264 Equity Shares were allotted as Bonus Shares by capitalization of Security Premium and Surplus during last five years

### B) Reconciliation of the no. of shares and amounts outstanding at the beginning and at the end of the reporting period

(Rs. In Lakhs)

<b>Particulars</b>	<b>31 March 2019</b>		<b>31 March 2018</b>	
	<b>No. of shares</b>	<b>Amt</b>	<b>No. of shares</b>	<b>Amt</b>
At the beginning of the period	136,769,768	13,676.98	136,769,768	13,676.98
Add: Fresh Issue			-	-
Outstanding at the end of the period	136,769,768	13,676.98	136,769,768	13,676.98

### C) Details of shareholders holding more than 5% shares in the Company

<b>Particulars</b>	<b>31 March 2019</b>		<b>31 March 2018</b>	
	<b>No. of shares</b>	<b>% of holding</b>	<b>No. of shares</b>	<b>% of holding</b>
<b>Equity shares of Rs. 10/- each fully paid</b>				
Mr. Dilip Suryavanshi	55,673,487	40.71%	55,673,487	40.71%
Mrs. Seema Suryavanshi	11,904,200	8.70%	11,904,200	8.70%
Mr. Devendra Jain	35,863,572	26.22%	35,863,572	26.22%

### Note 10(b): Other Equity

#### i. Securities Premium

(Rs. In Lakhs)

<b>Particulars</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
Balance at the beginning of the year	42,294.46	42,294.46
Add: Fresh Issue during the year	-	-
<b>Balance at the end of the year</b>	<b>42,294.46</b>	<b>42,294.46</b>

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

### ii. Retained Earnings

Particulars	31 March 2019	31 March 2018
Balance at the beginning of the year	174,734.58	129,317.79
- Profit for the year	76,494.07	62,030.09
- Other comprehensive income (net of tax)	(109.06)	32.85
- Dividend paid and tax on same	(1,648.83)	(1,646.15)
- Transferred to Debenture Redemption Reserve (Refer Note 43)	-	(15,000.00)
<b>Balance at the end of the year</b>	<b>249,470.76</b>	<b>174,734.58</b>

### iii. Debenture Redemption Reserve

Particulars	31 March 2019	31 March 2018
Balance at the beginning of the year	15,000.00	-
- Transferred from Retained Earnings	-	15,000.00
<b>Balance at the end of the year</b>	<b>15,000.00</b>	<b>15,000.00</b>
<b>Balance of Other Equity at the end of the year</b>	<b>306,765.22</b>	<b>232,029.04</b>

### Note 11: Borrowings

Particulars	31 March 2019	31 March 2018
(Rs. In Lakhs)		
<b>Non-current</b>		
<b>(a) Secured</b>		
<b>Debentures</b>		
8.90% 6000 Non Convertible Debentures of Rs.10 Lacs each	60,000.00	60,000.00
	<b>60,000.00</b>	<b>60,000.00</b>
<b>Term loans</b>		
From Banks	33,500.67	24,007.68
From Financial Institutions	58,609.50	37,322.35
	<b>92,110.17</b>	<b>61,330.03</b>
Less: Current maturities of non-current borrowings disclosed under the head 'Other financial liabilities - Current' (Refer note 13)	37,512.99	17,060.85
	<b>54,597.18</b>	<b>44,269.18</b>
<b>Non-current borrowings</b>	<b>114,597.18</b>	<b>104,269.18</b>
<b>Current</b>		
<b>(a) Secured</b>		
<b>Loans Payable on Demand</b>		
From Banks	202,970.39	169,778.45
<b>(b) Unsecured</b>		
From Related Parties	2,554.27	3,016.39
From Others	-	-
<b>Current borrowings</b>	<b>205,524.66</b>	<b>172,794.84</b>
<b>Total borrowings</b>	<b>320,121.84</b>	<b>277,064.02</b>

### Details of terms of repayment and securities provided in respect of secured term loans are as under:

#### 1) Non-Current borrowings

##### a) Debentures

#### - The securities provided is as follows:

- First exclusive charge on fixed assets of the Company to the extent of 1.25 times of outstanding borrowing through NCDs together with Interest etc.
- Company to lien mark sanctioned bank lines in favour of debenture holders at least 20 days before any scheduled redemption date for the amount equivalent which is due on the redemption date.
- The details of redemption is as follows:

Series- I: 450 NCDs of Rs. 10,00,000 each redeemable on 28-Dec-2019  
 Series- II: 450 NCDs of Rs. 10,00,000 each redeemable on 28-Mar-2020  
 Series- III: 450 NCDs of Rs. 10,00,000 each redeemable on 28-Jun-2020  
 Series -IV: 450 NCDs of Rs. 10,00,000 each redeemable on 28-Sep-2020  
 Series -V: 450 NCDs of Rs. 10,00,000 each redeemable on 28-Dec-2020  
 Series -VI: 450 NCDs of Rs. 10,00,000 each redeemable on 28-Mar-2021  
 Series -VII: 450 NCDs of Rs. 10,00,000 each redeemable on 28-Jun-2021

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Series -VIII: 450 NCDs of Rs. 10,00,000 each redeemable on 28-Sep-2021

Series -IX: 450 NCDs of Rs. 10,00,000 each redeemable on 28-Dec-2021

Series -X: 450 NCDs of Rs. 10,00,000 each redeemable on 28-Mar-2022

Series -XI :500 NCDs of Rs. 10,00,000 each redeemable on 28-Jun-2022

Series- XII: 500 NCDs of Rs. 10,00,000 each redeemable on 28-Sep-2022

Series -XIII: 500 NCDs of Rs. 10,00,000 each redeemable on 28-Dec-2022”

### b) Term Loan from Banks

- **The securities provided for the Term loan from Banks amounting to Rs. 21,419.06/- lakhs (P.Y. - Rs. 11,760.04/- lakhs) is as follows:**

- i. Personal guarantee of Mr. Dilip Suryavanshi, the managing director of the company.
- ii. The loans are secured by way of hypothecation of the respective vehicles.

- **The securities provided for the Term loan from Banks amounting to Rs. 8,673.76/- lakhs (P.Y. - Rs. 12,247.64/- lakhs) is as follows:**

- i. Unconditional and irrevocable Personal guarantee of Mr. Dilip Suryavanshi, the managing director of the company, Mrs. Seema Suryavanshi, the whole time director and Mr. Devendra Jain, the CEO; till the tenancy of loan.
- ii. Exclusive charge by way of hypothecation of the respective vehicles

- **The above loans carry interest rates ranging from 9.00% to 13.50%. The loans are repayable in monthly installments along with interest.**

- **The securities provided for the Term loan from Banks amounting to Rs. 826.95/- lakhs (P.Y. - NIL) is as follows:**

- i. Unconditional and irrevocable Personal guarantee of Mr. Dilip Suryavanshi, the managing director of the company, Mrs. Seema Suryavanshi, till the tenancy of loan.
- ii. Exclusive charge by way of hypothecation of the respective vehicles

- **The securities provided for the Term loan from Banks amounting to Rs. 2,521.13/- lakhs (P.Y. - NIL) is as follows:**

- i. Exclusive charge by way of hypothecation of the respective vehicles

- **The securities provided for the Term loan for Working Capital from financial institutions amounting to Rs. 59.78/- lakhs (P.Y. - 57.59 lakhs) is as follows:**

- Charge by way of Hypothecation over Plant and Machinery / Construction Equipment

### c) Loan from financial institutions

- **The securities provided for the Term loan from financial institutions amounting to Rs. 48,549.94/- lakhs (P.Y. - Rs. 21,307.90/- lakhs) is as follows:**

- i. Personal guarantee of Mr. Dilip Suryavanshi, the managing director of the company.
- ii. The loans are secured by way of hypothecation of the respective vehicles.

- **The securities provided for the Term loan for Working Capital from financial institutions amounting to Rs. 834.95/- lakhs (P.Y. - Rs. 8,499.95) is as follows:**

- i. Pledge of Equity Shares of Dilip Buildcon Limited held by Mr Dilip Suryavanshi, Managing Director of the Company, the market value of which is not less than 2.00 times the outstanding obligations of the borrower at the point of facility drawdown 6,03,000 shares of Dilip Buildcon Limited held by Mr Dilip Suryavanshi, Managing Director of the company, has been pledged as security

- ii. Personal guarantee of Mr. Dilip Suryavanshi, the managing director of the company and Mr. Devendra Jain, the CEO of the company.

- iii. Irrevocable Power of Attorney in favour of lender to sell/ dispose of pledged shares in case of default.

- **The securities provided for the Term loan from financial institutions amounting to Rs. 5,932.50/- lakhs (P.Y. - Rs. 7,514.50) is as follows:**

- i. Pledge of Equity Shares of Dilip Buildcon Limited held by Mr Dilip Suryavanshi, Managing Director of the Company, the market value of which is not less than 2.10 times the

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

- outstanding obligations of the borrower at the point of facility drawdown 40,00,000 shares of Dilip Buildcon Limited held by Mr Dilip Suryavanshi, Managing Director of the company, has been pledged as security
- ii. Personal guarantee of Mr. Dilip Suryavanshi, the managing director of the company and Mr. Devendra Jain, the CEO of the company.
    - The above loans carry interest rates ranging from 8.50% to 13.50%. The loans are repayable in monthly installments along with interest.
    - The loans are secured by way of hypothecation of the respective vehicles.
    - **The securities provided for the Term loan for Working Capital from financial institutions amounting to Rs. 3,325.03/- lakhs (P.Y. - 3,322.42 lakhs) is as follows:**
    - Unconditional and irrevocable bank guarantee
  - 2) **Current borrowings**
    - a) **Loans payable on demand from Banks**
      - i. Hypothecation of unencumbered plant and machinery and equipments (present and future).
      - ii. Pledge of Fixed Deposit Receipts standing in the name of the company
      - iii. Pledge of 1,11,35,858 equity shares of Dilip Buildcon Limited held by Mr. Dilip Suryavanshi, Managing Director and Mr. Devendra Jain, CEO of the Company
      - iv. Pari Passu charge of all lender banks by of hypothecation of stock of Material, Stock-in-process i.e. Cement, Steel, Steel Pipes, Gitty, Murram, Bolders, Diesel, Bituminous, oil grease etc. used in construction works at various sites of the company, work in progress, completed projects along with book-debts and the Government receivables there against.
      - v. Margin provided: 25% for Stocks / Receivables 25% for receivables upto 6 months 40% for retention receivable up to 12 months (only with Government Departments)
      - vi. Personal guarantee of Mr. Dilip Suryavanshi, the managing director of the company, Mrs. Seema Suryavanshi, the whole time director, Mr. Devendra Jain, the CEO and Ms. Preeti Jain, the relative of the CEO
      - vii. Guarantee of the firm M/s B. S. Associates
      - viii. The collateral securities provided for the above loans are as follows:
 

Pari Passi charge of all lender banks by way of Extension of Equitable Mortgage of the following Immovable properties:

        - 1) Vacant Plot khasra No. 9/1/2/1/4 situated at vill. Banjari, Kolar Road, Bhopal standing in the name of, the managing director of the company.
        - 2) Vacant Plot at K.No. 83/2/1, P.H.No. 35; R.N.M. – 4, vill. ChapriRatibar, Bhopl, standing in the name of, the whole time director of the company.
        - 3) Plot at Khasra No. 235 (Old 85,86/1, 87/23) ; PatwariHalka No. 35, Vill. Chapri, Ratibar Tehsil- Huzur; Distt. Bhopal, standing in the name of the whole time director of the company.
        - 4) Diverted land at Khasra No 56 at Village Sevania Tehsil Huzur Dist. Bhopal, standing in the name of, the whole time director of the company.
        - 5) Diverted land at Khasra No 56ja (Old khasra No. 56) at Village Sevania Gond PH No 40, Vikas Khand – Phanda, Tehsil Huzur, Dist. Bhopal, standing in the name of Managing director of the company.
        - 6) Diverted land at Khasra No 56jha (Old khasra No. 56) at Village Sevania Gond PH No. 40, Vikas Khand – Phanda, Tehsil Huzur, Dist. Bhopal, standing in the name of whole time director of the company
        - 7) Diverted Land at Survey No. 9/1/2/1/5, Gram Banjari, Near Ganpati Enclave, Ph no. 39, Kolar Road, Tehsil Huzur, Bhopal standing in the name of relative of the whole time director of the company.
        - 8) Diverted Land at Survey No. 7/3/1, Gram Baradari, Falodi Colony, Ward No. 14, Ph No. 18 (Behind Vivekanand School) Pargana, Raigarh, Tehsil & District Rajgarh (M.P) H. No. 7/522) standing in the name of the whole time director of the company.
        - 9) Diverted Land at Survey No. 7/3/1, Gram Baradari, Falodi Colony, Ward No. 14, Ph No. 18 (Behind Vivekanand School) Pargana, Raigarh, DistrictRajgarh (M.P) H. No. 7 standing in the name of the whole time director of the company and its relative.

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

- 10) Land at part Khasra No. 315/2, PatwariHalka No. 35 R N M – 4, Gram Chapri (Ratlam) Vikas KhandFanda, Tehsil Huzur, Bhopal. Standing in the name of, the whole time director of the company
- 11) Immovable property at khasra no. 51/1/2/1, 51/1/2/2, 51/1/2/3, 51/1/2/4, Behind Halalpura Bus Stand, Bhopal standing in the name of B.S. Associates (partnership firm).
- 12) House on Plot No C/2, C/3A, C/14, C/15, Falaudi Colony, New Ward No 15, Near Swami Vivekanand Public School, Rajgarh standing in the name of relative of the whole time director of the Company.

### Note 11: Borrowings

#### (a) Non-Current borrowings

(i) Financial Year 2018-19

(Rs. In Lakhs)

Particulars	1 year	1-3 years	Beyond 3 Years	Total Amount
Debentures	9,000.00	36,000.00	15,000.00	60,000.00
Term Loans From Banks	10,853.35	17,763.24	4,884.07	33,500.67
Term Loans From Others	17,659.64	35,472.87	5,476.99	58,609.50
Total	37,512.99	89,236.11	25,361.06	152,110.17

(ii) Financial Year 2017-18

(Rs. In Lakhs)

Particulars	1 year	1-3 years	Beyond 3 Years	Total Amount
Debentures	-	27,000.00	33,000.00	60,000.00
Term Loans From Banks	8,738.55	12,604.69	2,664.44	24,007.68
Term Loans From Others	8,322.30	23,491.62	5,508.43	37,322.35
Total	17,060.85	63,096.31	41,172.87	121,330.03

### Note 12: Trade payables

(Rs. In Lakhs)		
Particulars	31 March 2019	31 March 2018
(a) total outstanding dues of micro enterprises and small enterprises; (Refer Note 35)	3,511.46	133.72
(b) total outstanding dues of creditors other than micro enterprises and small enterprises;	168,895.45	150,643.84
<b>Total</b>	<b>172,406.91</b>	<b>150,777.56</b>

\* Includes Rs.285.79/- lakhs (P.Y. Rs. 4.48/-) payable to related parties

### Note 13: Other financial liabilities

(Rs. In Lakhs)			
Sr. No.	Particulars	31 March 2019	31 March 2018
<b>Current</b>			
(a)	Current maturities of long term borrowings (Note 11)	37,512.99	17,060.85
(b)	Interest accrued but not due on borrowings	1,360.60	1,483.51
(c)	Unpaid Dividend	3.13	2.89
(d)	Creditors for expenses*	14,803.52	11,586.15
(e)	Creditors for Fixed Assets	3,061.12	2,116.00
	<b>Total</b>	<b>56,741.36</b>	<b>32,249.40</b>

\* Includes Rs. 1,807.52/- lakhs (P.Y. Rs. 1,037.40/- lakhs) payable to related parties

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

### Note 14: Provisions

(Rs. In Lakhs)

Particulars	31 March 2019	31 March 2018
<b>Non-current</b>		
(a) Provision for employee benefits		
(i) Provision for compensated absences	1,910.89	788.70
Less: Current provision	45.06	169.08
	1,865.83	619.62
(ii) Provision for gratuity (Refer Note 31)	3,130.51	2,053.25
Less: Current provision	1,172.52	826.47
	1,957.99	1,226.78
	<b>3,823.82</b>	<b>1,846.40</b>
(b) Defect liability provision (Refer Note 29)	756.62	566.09
(c) Provision for loss on sale of investment	3,908.00	3,908.00
<b>Total Non-current</b>	<b>8,488.44</b>	<b>6,320.49</b>
<b>Current</b>		
(a) Provision for employee benefits		
(i) Provision for compensated absences	45.06	169.08
(ii) Provision for gratuity (Refer Note 31)	1,172.52	826.47
<b>Total Current</b>	<b>1,217.58</b>	<b>995.55</b>
<b>Total</b>	<b>9,706.02</b>	<b>7,316.04</b>

### Note 15: Other liabilities

(Rs. In Lakhs)

Particulars	31 March 2019	31 March 2018
<b>Non-current</b>		
(a) Advances		
(i) Related parties	73,868.14	63,012.10
(ii) Others	47,880.78	23,381.45
	121,748.92	86,393.55
Less: Current portion - Related Parties	53,063.62	36,850.82
Less: Current portion - Others	27,170.38	22,870.80
	41,514.92	26,671.93
(b) Advance Received against sale of equity in subsidiary companies	74,084.71	40,643.81
Less: Liabilities in respect of non current assets classified as held for sale	(27,578.06)	(27,450.19)
	46,506.65	13,193.62
<b>Total Non-current</b>	<b>88,021.56</b>	<b>39,865.55</b>
<b>Current</b>		
(a) Advances		
(i) Related parties	53,063.62	36,850.82
(ii) Others	27,170.38	22,870.80
	80,234.00	59,721.62
(b) Duties and Taxes	399.59	11,502.14
(c) Statutory Remittances	863.03	717.01
(d) Amounts withheld from Contractor	12,438.58	9,061.45
<b>Total Current</b>	<b>93,935.20</b>	<b>81,002.22</b>
<b>Total</b>	<b>181,956.77</b>	<b>120,867.76</b>

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

## Note 16: Income Taxes

(Rs. In Lakhs)

### Deferred tax

Deferred tax relates to the following: Deferred tax asset / (liability)"	Balance sheet		Statement of profit and loss & other comprehensive income	
	31 March 2019	31 March 2018	For the year ended 31st March, 2019	For the year ended 31st March, 2018
			(Expense)/Income	
<b>Deferred tax asset</b>				
Provision for post retirement benefits and other employee benefits	3499.42	2,379.60	1,119.82	573.24
Provisions	10103.93	1,548.39	8,555.53	(2,780.67)
<b>Total</b>	<b>13,603.35</b>	<b>3,927.99</b>	<b>9,675.35</b>	<b>(2,207.43)</b>
<b>Deferred tax liability</b>				
Property, plant & equipment and intangible assets	15,314.97	14,585.47	729.51	951.19
<b>Transaction cost on loan</b>	<b>-</b>	<b>13.43</b>	<b>(13.43)</b>	<b>(76.69)</b>
<b>Total</b>	<b>15,314.97</b>	<b>14,598.90</b>	<b>716.08</b>	<b>874.50</b>
<b>Net deferred tax asset / (liability)</b>	<b>(1,711.62)</b>	<b>(10,670.91)</b>	<b>8,959.29</b>	<b>(3,081.93)</b>
<b>Deferred tax (expense)/income</b>			<b>8,959.29</b>	<b>(3,081.93)</b>
- Recognised in statement of profit and loss			8,987.53	(3,064.55)
- Recognised in statement of other comprehensive income			(28.24)	(17.38)

## Note 17: Revenue from operations

(Rs. In Lakhs)

Sr. No.	Particulars	For year ended March 31, 2019	For year ended March 31, 2018
(a)	Contract revenue *	909,115.49	770,304.98
		<b>909,115.49</b>	<b>770,304.98</b>
(b)	Other operating revenue		
(i)	Miscellaneous Receipts	2,528.28	4,008.26
(ii)	Others	178.16	274.44
		<b>2,706.44</b>	<b>4,282.70</b>
	<b>Total</b>	<b>911,821.93</b>	<b>774,587.68</b>

\* includes revenue on account of Bonus on earlier completion of contract Rs.3,258.90/- Lakhs (previous Year Rs.8,779.16/- lakhs)

## Note 18: Other income

(Rs. In Lakhs)

Sr. No.	Particulars	For year ended March 31, 2019	For year ended March 31, 2018
(a)	<u>Interest Income</u>		
(i)	Interest from banks on deposits	1,378.63	1,172.64
(ii)	Interest on loans given	779.51	73.85
(iii)	Interest on Income tax and VAT Refund	215.37	-
		<b>2,373.51</b>	<b>1,246.49</b>
(b)	<u>Other non-operating income</u>		
(i)	VAT Refund	6.34	-
(ii)	Maintenance Income	2,205.10	264.54
(iii)	Unwinding of security deposit	42.59	23.50
(iv)	Profit on Sale of Assets	11.36	17.34
		<b>2,265.39</b>	<b>305.38</b>
	<b>Total</b>	<b>4,638.90</b>	<b>1,551.87</b>

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

### Note 19: Cost of construction

(Rs. In Lakhs)			
Sr. No.	Particulars	For year ended March 31, 2019	For year ended March 31, 2018
(a)	Raw Material		
	Opening Stock	188,940.22	141,166.62
	Add: Purchases	329,999.80	256,406.55
	Less: Closing Stock	233,502.06	188,940.22
		<b>285,437.96</b>	<b>208,632.95</b>
(b)	Cartage & Transportation	22,054.38	32,177.02
(c)	Labour Charges	161,211.95	127,010.26
(d)	Power and Fuel	113,876.78	103,657.84
(e)	Electrical Repairs and Maintenance	70.10	78.10
(f)	Insurance Charges	4,287.71	1,843.72
(g)	Machinery Repairs and Maintenance	4,602.66	3,521.49
(h)	Security Maintenance	14.82	188.35
(i)	Technical and Consultancy Charges	9,130.81	13,673.27
(j)	Labour Cess and Taxes	7,806.66	6,757.90
(k)	Lease Rent	9,230.03	5,942.45
(l)	Vehicle and Machine related Charges	3,773.93	5,611.08
(m)	Royalty Charges	11,506.87	14,812.05
(n)	Salary to Site Staff	69,571.82	54,361.03
(o)	Site Expenses	14,014.24	10,992.75
	<b>Total</b>	<b>716,590.72</b>	<b>589,260.26</b>

### Note 20: Changes in inventories

(Rs. In Lakhs)		
Particulars	For year ended March 31, 2019	For year ended March 31, 2018
<b>Work in progress</b>		
Opening Stock	13,683.18	25,219.23
Less: Closing Stock	16,873.60	13,683.18
<b>Total</b>	<b>(3,190.42)</b>	<b>11,536.05</b>

### Note 21: Employee benefits expense

(Rs. In Lakhs)			
Sr. No.	Particulars	For year ended March 31, 2019	For year ended March 31, 2018
(a)	Salaries, wages and bonus	6,524.91	5,924.01
(b)	Contribution to:		
	Provident Fund	2,982.18	2,311.93
	ESIC	564.13	1,074.06
	Voluntary Benefit Fund	160.09	121.74
(c)	Employee's welfare and Other amenities	3,904.31	2,208.09
(d)	Directors Remuneration	3,600.00	3,600.00
	<b>Total</b>	<b>17,735.62</b>	<b>15,239.83</b>

### Note 22: Finance cost

(Rs. In Lakhs)			
Sr. No.	Particulars	For year ended March 31, 2019	For year ended March 31, 2018
(a)	Interest on borrowings	44,786.17	39,664.24
(b)	Other borrowing cost	8,201.68	6,720.13
(c)	Unwinding of discount and effect of changes in discount rate on provisions	-	59.42
	<b>Total</b>	<b>52,987.85</b>	<b>46,443.79</b>

### Note 23: Other expenses

(Rs. In Lakhs)			
Sr. No.	Particulars	For year ended March 31, 2019	For year ended March 31, 2018
(a)	Advertisement Charges	156.68	78.56
(b)	Audit Fees (Refer Note 26)	55.75	66.53
(c)	Business Promotion Exp	145.88	26.27
(d)	Conveyance	18.81	66.68
(e)	Legal Charges	1,098.98	539.37
(f)	Printing & Stationery	273.42	259.02

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Sr. No.	Particulars	For year ended March 31, 2019	For year ended March 31, 2018
(g)	Repairs and Maintenance - Others	899.40	614.32
(h)	Service Tax	-	462.75
(i)	Telephone Charges	446.26	527.57
(j)	Tender Expenses	84.85	187.75
(k)	Travelling Expenses	2,869.69	1,356.37
(l)	Vat Expenditure	1,243.93	4,573.33
(m)	Office Rent	438.82	351.07
(n)	Miscellaneous Expenses	101.98	3.01
(o)	Provision for Doubtful Debts	11,000.00	4,200.00
(p)	Bad debts written off	-	3,289.17
(q)	Office Expenses	498.47	577.06
(r)	Postage and Courier	88.56	50.76
(s)	Directors Sitting fees	18.70	3.90
(t)	CSR expenses (Refer Note 26)	107.94	233.66
(u)	Defect liability Provision	700.00	800.00
(v)	Custom Duty	-	4.47
	<b>Total</b>	<b>20,248.12</b>	<b>18,271.62</b>

### Note 24: Other comprehensive income

Sr. No.	Particulars	For year ended March 31, 2019	For year ended March 31, 2018
(a)	Items that will not be reclassified to profit or loss		
(i)	Remeasurements gains /( losses) on post-employment benefits	(80.82)	50.23
(ii)	Tax on remeasurements gains / (losses)	(28.24)	(17.38)
	<b>Total</b>	<b>(109.06)</b>	<b>32.85</b>

### Note 25: Commitments and Contingent Liabilities

(Rs. In Lakhs)

Particulars	31 March 2019	31 March 2018
<b>Capital Commitments</b>		
i) Investment in Subsidiary companies	116,307.33	34,393.78
<b>Contingent Liabilities</b>		
i) Claims against the company not acknowledged as debts	5,000.29	3,674.16
ii) Sales Tax assessment-pending appeal		
Financial year 2008-09	-	156.56
iii) Guarantees issued by the bank on Company's behalf	392,034.39	334,435.40
iv) Income Tax matters	4,437.30	1,227.76
<b>Total</b>	<b>517,779.31</b>	<b>373,887.66</b>

25.1 The claims against the company not acknowledged as debts include claims made by others under various laws.

25.2 The Company as part of its various commitments to be fulfilled under Construction Contracts has provided Bank Guarantees to various parties.

25.3 The Company had filed its Income Tax Return for the Assessment year 2013-14(Covered under the application made to the Settlement Commission) wherein it has claimed deduction u/s 80IA. The said deduction has been allowed by the Hon'ble Income Tax Settlement Commission, Delhi but the department has filled the Writ Petition against the said allowance to Hon'ble Jabalpur High Court. The Company is yet to receive the final order from the High Court.

25.4 The company has received the assessment order under section 143(3) of the Income Tax Act, 1961 of AY 2016-17. Pursuant to order the total demand raised by the Income Tax Department was Rs. 5,497.64/- lakhs. The company had filed the rectification on the said order and requested to recompute the tax liability pursuant to Assessment order. The department had accepted the request and shared the order under section 154 and recomputed the demand which was amounting to Rs. 4,437.30/- lakhs.

The company has filed the appeal against the said order to Hon'ble CIT(A), Bhopal and received the stay on demand order from AO stating remaining demand stayed till the disposal of first appeal.

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

## Note 26: Remuneration to Auditors

		(Rs. In Lakhs)	
Particulars	2018-19	2017-18	
a) Audit Fees	44.75	44.50	
b) Limited Review Fees	9.00	9.00	
c) Other Certification	2.00	13.03	
<b>Total</b>	<b>55.75</b>	<b>66.53</b>	

## Note 27: Earnings per Share (Basic and diluted)

		(Rs. In Lakhs)	
Particulars	2018-19	2017-18	
a) Profit for the year before tax	80,496.78	66,371.77	
Less : Attributable Tax thereto	4,002.71	4,341.68	
Profit after Tax	76,494.07	62,030.09	
b) Weighted average number of equity shares used as denominator	136,769,768	136,769,768	
c) Basic and Diluted earning per share of nominal value of Rs 10/- each	<b>55.93</b>	<b>45.35</b>	

## Note 28: Related party transaction

Details of related parties		% of holding		31 March 2018
Name of the related party	Nature of relationship - FY 2018-19	31 March 2019	Nature of relationship - FY 2017-18	
DBL Betul Sarni Tollways Limited	Subsidiary	100.00%	Subsidiary	100.00%
DBL Tikamgarh Nowgaon Tollways Limited	Subsidiary	100.00%	Subsidiary	100.00%
Suryavanshi Infrastructure Private Limited	Subsidiary	100.00%	Subsidiary	100.00%
DBL Hata Dargawon Tollways Limited	Subsidiary	100.00%	Subsidiary	100.00%
DBL Patan Rehli Tollways Limited	Subsidiary	51.10%	Subsidiary	51.10%
Jalpa Devi Tollways Limited	Subsidiary	100.00%	Subsidiary	100.00%
DBL Hassan Periyapatna Tollways Ltd	Subsidiary	100.00%	Subsidiary	100.00%
DBL Hirekerur Ranibennur Tollways Ltd	Subsidiary	100.00%	Subsidiary	100.00%
DBL Mundargi Harapanahalli Tollways Ltd	Subsidiary	100.00%	Subsidiary	100.00%
DBL Lucknow Sultanpur Highways Ltd	Subsidiary	100.00%	Subsidiary	100.00%
DBL Tuljapur Ausa Highways Ltd	Subsidiary	51.00%	Subsidiary	51.00%
DBL Kalmathzarap Highways Ltd	Subsidiary	100.00%	Subsidiary	100.00%
Bhavya Infra & Systems Private Limited	Subsidiary	100.00%	Subsidiary	100.00%
Jalpa Devi Engineering Private Limited	Subsidiary	100.00%	Subsidiary	100.00%
DBL Mahagaon Yavatmal Highways Private Ltd	Subsidiary	100.00%	Subsidiary	100.00%
DBL Yavatmal Wardha Highways Private Ltd	Subsidiary	100.00%	Subsidiary	100.00%
DBL Wardha Butibori Highways Private Ltd	Subsidiary	100.00%	Subsidiary	100.00%
DBL VPR Mining Private Ltd	Subsidiary	74.00%	Subsidiary	74.00%
DBL Chandikhole Bhadrak Highways Private Ltd	Subsidiary	100.00%	-	-
DBL Bangalore Nidagatta Highways Private Limited	Subsidiary	100.00%	-	-
DBL Anandapuram Anakapalli Highways Private Limited	Subsidiary	100.00%	-	-
DBL Gorhar Khairatunda Highways Private Limited	Subsidiary	100.00%	-	-
DBL Nidagatta Mysore Highways Private Limited	Subsidiary	100.00%	-	-
DBL Rewa Sidhi Highways Private Limited	Subsidiary	100.00%	-	-

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Details of related parties Name of the related party	Nature of relationship - FY 2018-19	% of holding		31 March 2018
		31 March 2019	Nature of relationship - FY 2017-18	
DBL Byrapura Challakere Highways Private Limited	Subsidiary	100.00%	-	-
DBL Mangloor Highways Private Limited	Subsidiary	100.00%	-	-
DBL Sangli Bargaon Highways Private Limited	Subsidiary	100.00%	-	-
DBL Bargaon Watambare Highways Private Limited	Subsidiary	100.00%	-	-
DBL Mangalwedha Solapur Highways Private Limited	Subsidiary	100.00%	-	-
DBL Bellary Byrapura Highways Private Limited	Subsidiary	100.00%	-	-
DBL Pachwara Coal Mines Private Limited	Subsidiary	74.00%	-	-
DBL Ashoknagar-Vidisha Tollways Limited	Associate	30.00%	Associate	30.00%
DBL Bankhlafata Dongawa Tollways Limited	-	15.00%	Associate	30.00%
DBL Jaora Sailana Tollways Limited	-	15.00%	Associate	30.00%
DBL Mundi Sanawad Tollways Limited	-	15.00%	Associate	30.01%
DBL Nadiad Modasa Tollways Limited	Associate	26.00%	Associate	30.00%
DBL Sardarpur Badnawar Tollways Limited	-	15.00%	Associate	30.04%
DBL Silwani Sultanganj Tollways Limited	-	15.00%	Associate	30.01%
DBL Sitamau Suwasara Tollways Limited	-	15.00%	Associate	30.00%
DBL Uchera Nagod Tollways Limited	-	15.00%	Associate	30.00%
Dilip Buildcon-Varah Infra Ltd (JV)	Entities with whom reporting entity has Joint Operations			
Dilip Buildcon Limited -Varah Infra Ltd (JV)				
Dilip Buildcon-MBZ JV				
DBL-DECO JV				
Valecha Dilip JV				
Dilip Buildcon Limited & Ranjit Buildcon Limited JV	Key Managerial Persons (KMP)			
Shri Dilip Suryavanshi				
Smt. Seema Suryavanshi				
Shri Devendra Jain				
Shri Vaibhav Rawat (Chief Financial Officer till 15.05.2018)				
Shri Raja Ghosh (Interim Chief Financial Officer from 29.05.2018 till 10.12.2018)	Relatives of KMP			
Shri Radhey Shyam Garg (Chief Financial Officer from 10.12.2018)				
Shri. Abhishek Shrivastava (Company Secretary)				
Shri Bharat Singh (President)				
Shri Rohan Suryavanshi				
Shri Karan Suryavanshi	Other Related Parties			
Shree Vinayak Enterprises & Properties				
Genex Hotels Pvt Ltd				
DNN Media Communication Pvt Ltd				
Highfly Airlines Pvt. Limited				
B.S.Associates				
DBL Employee VBF Fund Trust				

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

The following transactions were undertaken during the reporting period:

### 1) Expense

(Rs. In Lakhs)

Nature of transaction	Year ended 31 March 2019				Grand Total
	Subsidiaries	Associates	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
<b>Receiving of Services/ Reimbursement of Expenses</b>					
Shri Vinayak Enterprises & Properties			312.00		312.00
<b>Remuneration paid</b>					
Shri Dilip Suryavanshi				1,600.00	1,600.00
Smt. Seema Suryavanshi				200.00	200.00
Shri Devendra Jain				1,800.00	1,800.00
*Shri Vaibhav Rawat (Out going Chief Financial Officer)				7.56	7.56
**Shri Raja Ghosh (Interim Chief Financial Officer)				25.31	25.31
#Shri Radhey Shyam Garg (Chief Financial Officer)				17.59	17.59
Shri. Abhishek Shrivastava (Company Secretary)				28.24	28.24
Shri Bharat Singh (President)				86.29	86.29
Shri Rohan Suryavanshi				122.00	122.00
Shri Karan Suryavanshi				97.60	97.60
<b>Post-employment benefits</b>					
Directors (Shri Dilip Suryavanshi, Smt. Seema Suryavanshi and Shri Devendra Jain)				2.02	2.02
#Shri Radhey Shyam Garg (Chief Financial Officer)				0.92	0.92
**Shri Raja Ghosh (Interim Chief Financial Officer)				0.39	0.39
Shri. Abhishek Shrivastava (Company Secretary)				0.81	0.81
Shri Bharat Singh (President)				1.63	1.63
Shri Rohan Suryavanshi				4.43	4.43
Shri Karan Suryavanshi				1.84	1.84
<b>Reversal of Income</b>					-
DBL Patan Rehli Tollways Ltd	378.20				378.20
DBL Hata Dargawon Tollways Lyd	64.66				64.66
DBL Tikamgarh Nowgaon Tollways Ltd	514.39				514.39
DBL Nadiad Modasa Tollways Ltd	-	745.13			745.13
Suryavanshi Infrastructure Pvt Ltd	7.88				7.88
<b>Total</b>	<b>965.13</b>	<b>745.13</b>	<b>312.00</b>	<b>3,996.63</b>	<b>6,018.90</b>

\* CFO Mr Vaibhav Rawat Resigned on dated 15.05.2018

\*\* Interim CFO Mr Raja Ghosh has been appointed on dated 29.05.2018 and resigned on dated 10.12.2018.

# New CFO Mr Radhey Shyam Garg has been appointed on dated 10.12.2018

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

(Rs. In Lakhs)

Nature of transaction	Year ended 31 March 2018			Grand Total
	Subsidiaries	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
<b>Receiving of Services/ Reimbursement of Expenses</b>				
Shri Vinayak Enterprises & Properties		351.07		351.07
<b>Remuneration paid</b>				
Shri Dilip Suryavanshi			1,600.00	1,600.00
Smt. Seema Suryavanshi			200.00	200.00
Shri Devendra Jain			1,800.00	1,800.00
Shri Vaibhav Rawat (Chief Financial Officer)			54.90	54.90
Shri. Abhishek Shrivastava (Company Secretary)			23.26	23.26
Shri Bharat Singh (President)			84.00	84.00
Shri Rohan Suryavanshi			122.00	122.00
Shri Karan Suryavanshi			97.60	97.60
<b>Post-employment benefits</b>				
Directors (Shri Dilip Suryavanshi, Smt. Seema Suryavanshi and Shri Devendra Jain)			22.93	22.93
Shri Vaibhav Rawat (Chief Financial Officer)			1.03	1.03
Shri. Abhishek Shrivastava (Company Secretary)			0.08	0.08
Shri Bharat Singh (President)			8.81	8.81
Shri Rohan Suryavanshi			1.05	1.05
Shri Karan Suryavanshi			2.41	2.41
<b>Reversal of Bonus</b>				
DBL Hata Dargawon Tollways Limited	105.77			105.77
DBL Patan Rehli Tollways Limited	289.31			289.31
<b>Total</b>	<b>395.08</b>	<b>351.07</b>	<b>4,018.07</b>	<b>4,764.22</b>

The following transactions were undertaken during the reporting period:

## 2) Income

(Rs. In Lakhs)

Nature of transaction	Year ended 31 March 2019			Grand Total
	Subsidiaries	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
<b>Contract Receipts</b>				
DBL Chandikhole Bhadrak Highways Private Limited	15,103.92			15,103.92
Jalpa Devi Tollways Limited	1,404.54			1,404.54
DBL Anandapuram Anakapalli Highways Private Limited	23,567.32			23,567.32
DBL Rewa Sidhi Highways Private Limited	11,645.24			11,645.24
DBL Byrapura Challakere Highways Private Limited	10,725.95			10,725.95
DBL Kalmathzarap Highways Ltd	42,152.17			42,152.17

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Nature of transaction	Year ended 31 March 2019			Grand Total
	Subsidiaries	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
DBL Yavatmal Wardha Highways Private Ltd	62,098.07			62,098.07
DBL Lucknow Sultanpur Highways Ltd	93,844.06			93,844.06
DBL Tuljapur AUSA Highways Ltd	35,837.17			35,837.17
DBL Wardha Butibori Highways Private Ltd	58,641.39			58,641.39
DBL Mahagaon Yavatmal Highways Private Ltd	62,786.51			62,786.51
DBL Mangloor Highways Private Limited	5,805.82			5,805.82
DBL Betul Sarni Tollways Limited	154.63			154.63
Dilip Buildcon-Varah Infra Ltd (JV)		23,048.78		23,048.78
Dilip Buildcon Limited -Varah Infra Ltd (JV)		7,140.69		7,140.69
Dilip Buildcon-MBZ JV		44,226.09		44,226.09
DBL-DECO JV		88,668.48		88,668.48
<b>Other Contract Receipts</b>				
Dilip Buildcon Limited & Ranjit Buildcon Limited JV		178.15		178.15
<b>Interest Received on Unsecured Loan</b>				
Jalpa Devi Engineering Private Limited	280.89			280.89
Bhavya Infra & Systems Private Limited	41.84			41.84
<b>Total</b>	<b>424,089.52</b>	<b>163,262.19</b>	<b>-</b>	<b>587,351.71</b>

(Rs. In Lakhs)

Nature of transaction	Year ended 31 March 2018			Grand Total
	Subsidiaries	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
<b>Contract Receipts</b>				
DBL Hata Dargawon Tollways Limited	534.79			534.79
DBL Patan Rehli Tollways Limited	775.27			775.27
Jalpa Devi Tollways Limited	43,008.86			43,008.86
DBL Hassan Periyapatna Tollways Ltd	17,170.12			17,170.12
DBL Hirekerur Ranibennur Tollways Ltd	14,699.35			14,699.35
DBL Mundargi Harapanahalli Tollways Ltd	9,007.59			9,007.59
DBL Kalmathzarap Highways Ltd	8,114.73			8,114.73
DBL Yavatmal Wardha Highways Private Ltd	10,065.29			10,065.29
DBL Lucknow Sultanpur Highways Ltd	80,704.06			80,704.06
DBL Tuljapur AUSA Highways Ltd	17,460.12			17,460.12
DBL Wardha Butibori Highways Private Ltd	13,698.56			13,698.56
DBL Mahagaon Yavatmal Highways Private Ltd	5,217.19			5,217.19
Dilip Buildcon-Varah Infra Ltd (JV)		37,955.71		37,955.71
Dilip Buildcon-MBZ JV		23,258.52		23,258.52
DBL-DECO JV		79,411.45		79,411.45

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Nature of transaction	Year ended 31 March 2018			Grand Total
	Subsidiaries	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
<b>Other Contract Receipts</b>				
Dilip Buildcon Limited & Ranjit Buildcon Limited JV		274.44		274.44
<b>Bonus received</b>				
DBL Hirekerur Ranibennur Tollways Ltd	1,962.00			1,962.00
DBL Hassan Periyapatna Tollways Ltd	2,628.00			2,628.00
DBL Mundargi Harapanahalli Tollways Ltd	1,773.00			1,773.00
<b>Total</b>	<b>226,818.93</b>	<b>140,900.12</b>	<b>-</b>	<b>367,719.05</b>

The following balances were outstanding at the end of the reporting period:

**1) Balances receivable from related parties**

(Rs. In Lakhs)

Nature of transaction	Year ended 31 March 2019				Grand Total
	Subsidiaries	Associates	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
<b>Investment in Shares – Equity</b>					
DBL Nadiad Modasa Tollways Limited		745.02			745.02
DBL Ashoknagar-Vidisha Tollways Limited		598.81			598.81
DBL Betul Sarni Tollways Limited	8,059.00				8,059.00
DBL Tikamgarh Nowgaon Tollways Limited	2,600.00				2,600.00
Suryavanshi Infrastructure Private Limited	647.30				647.30
DBL Hata Dargawon Tollways Limited	1,355.03				1,355.03
DBL Patan Rehli Tollways Limited	1,788.61				1,788.61
Jalpa Devi Tollways Limited	22,000.01				22,000.01
DBL Hassan Periyapatna Tollways Ltd	1,808.65				1,808.65
DBL Hirekerur Ranibennur Tollways Ltd	1,603.04				1,603.04
DBL Mundargi Harapanahalli Tollways Ltd	1,379.00				1,379.00
DBL Lucknow Sultanpur Highways Ltd	7,115.00				7,115.00
DBL Tuljapur Ausa Highways Ltd	1,532.75				1,532.75
DBL Kalmath Zarap Highways Ltd	5.00				5.00
Bhavya Infra & Systems Private Limited	63.30				63.30

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Nature of transaction	Year ended 31 March 2019				Grand Total
	Subsidiaries	Associates	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
Jalpa Devi Engineering Private Limited	5.00				5.00
DBL Mahagoan Yavatmal Highways Private Ltd	960.03				960.03
DBL Wardha Butibori Highways Private Ltd	10.00				10.00
DBL Yavatmal Wardha Highways Private Ltd	10.00				10.00
DBL Chandikhole Bhadrak Highways Private Ltd	6,109.00				6,109.00
DBL VPR Mining Private Ltd	0.74				0.74
DBL Bangalore Nidagatta Highways Private Limited	5.00				5.00
DBL Anandapuram Anakapalli Highways Private Limited	11,010.06				11,010.06
DBL Gorhar Khairatunda Highways Private Limited	5.00				5.00
DBL Nidagatta Mysore Highways Private Limited	5.00				5.00
DBL Rewa Sidhi Highways Private Limited	4,530.01				4,530.01
DBL Byrapura Challakere Highways Private Limited	4,060.01				4,060.01
DBL Mangloor Highways Private Limited	5.00				5.00
DBL Sangli Borgaon Highways Private Limited	5.00				5.00
DBL Borgaon Watambare Highways Private Limited	5.00				5.00
DBL Mangalwedha Solapur Highways Private Limited	5.00				5.00
DBL Bellary Byrapura Highways Private Limited	5.00				5.00
DBL Pachwara Coal Mines Private Limited	0.74				0.74
<b>Security Deposit given</b>					
Shree Vinayak Enterprises & Properties			549.20		549.20
DBL-DECO JV			6,126.94		6,126.94
<b>Trade Receivables</b>					
DBL Chandikhole Bhadrak Highways Private Ltd	10,667.68				10,667.68
DBL Betul Sarni Tollways Limited	1,385.12				1,385.12

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Nature of transaction	Year ended 31 March 2019				Grand Total
	Subsidiaries	Associates	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
DBL Rewa Sidhi Highways Private Limited	2,376.81				2,376.81
DBL Tuljapur Ausa Highways Ltd	4,809.60				4,809.60
DBL Hassan Periyapatna Tollways Ltd	4,607.90				4,607.90
DBL Hirekerur Ranibennur Tollways Ltd	2,803.36				2,803.36
DBL Mundargi Harapanahalli Tollways Ltd	1,335.67				1,335.67
DBL Kalmath Zarap Highways Ltd	11,294.87				11,294.87
DBL Lucknow Sultanpur Highways Ltd	11,493.44				11,493.44
DBL Mahagoan Yavatmal Highways Private Ltd	5,073.12				5,073.12
DBL Wardha Butibori Highways Private Ltd	2,181.17				2,181.17
DBL Yavatmal Wardha Highways Private Ltd	3,901.41				3,901.41
Dilip Buildcon-MBZ JV			3,879.61		3,879.61
DBL-DECO JV			2,930.40		2,930.40
Dilip Buildcon Limited -Varah Infra Ltd (JV)			2,988.40		2,988.40
Dilip Buildcon Limited & Ranjit Buildcon Limited JV			1.19		1.19
Valecha Dilip JV			22.60		22.60
<b>Unsecured Loans Given</b>					
Jalpa Devi Tollways Limited	601.80				601.80
DBL Hassan Periyapatna Tollways Ltd	2,387.70				2,387.70
DBL Hirekerur Ranibennur Tollways Ltd	2,629.19				2,629.19
DBL Mundargi Harapanahalli Tollways Ltd	2,672.94				2,672.94
DBL Lucknow Sultanpur Highways Ltd	17,418.32				17,418.32
DBL Kalmath Zarap Highways Ltd	5,609.61				5,609.61
Bhavya Infra & Systems Private Limited	586.80				586.80
Jalpa Devi Engineering Private Limited	5,422.98				5,422.98
DBL Mahagaon Yavatmal Highways Private Ltd	6,122.00				6,122.00

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Nature of transaction	Year ended 31 March 2019				Grand Total
	Subsidiaries	Associates	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
DBL Yavatmal Wardha Highways Private Ltd	9,476.40				9,476.40
DBL Wardha Butibori Highways Private Ltd	8,346.88				8,346.88
DBL Tuljapur AUSA Highways Private Limited	790.31				790.31
DBL VPR Mining Private Ltd	50.11				50.11
DBL Bangalore Nidagatta Highways Private Limited	1,016.25				1,016.25
DBL Anandapuram Anakapalli Highways Private Limited	2,231.07				2,231.07
DBL Gorhar Khairatunda Highways Private Limited	342.73				342.73
DBL Nidagatta Mysore Highways Private Limited	1,043.26				1,043.26
DBL Rewa Sidhi Highways Private Limited	4,530.01				4,530.01
DBL Byrapura Challakere Highways Private Limited	821.98				821.98
DBL Mangloor Highways Private Limited	782.12				782.12
DBL Sangli Borgaon Highways Private Limited	216.21				216.21
DBL Borgaon Watambare Highways Private Limited	216.19				216.19
DBL Mangalwedha Solapur Highways Private Limited	247.72				247.72
DBL Bellary Byrapura Highways Private Limited	381.53				381.53
DBL Pachwara Coal Mines Private Limited	39.43				39.43
DBL Chandikhole Bhadrak Highways Private Ltd	1,347.29				1,347.29
Dilip Buildcon Limited-Varah Infra Ltd (JV)			1.10		1.10
Genex Hotels Pvt Ltd			54.10		54.10
<b>Retention &amp; Withheld Money</b>					
DBL Anandapuram Anakapalli Highways Private Limited	1,319.77				1,319.77
DBL Byrapura Challakere Highways Private Limited	600.65				600.65
DBL Kalmath Zarap Highways Ltd	349.05				349.05

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Nature of transaction	Year ended 31 March 2019				Grand Total
	Subsidiaries	Associates	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
DBL Mahagaon Yavatmal Highways Private Ltd	169.78				169.78
Dilip Buildcon-MBZ JV			3,645.79		3,645.79
Dilip Buildcon Limited-Varah Infra Ltd (JV)			2,675.14		2,675.14
Dilip Buildcon-Varah Infra Ltd (JV)			2,221.96		2,221.96
DBL-DECO JV			250.16		250.16
<b>Advance given</b>					
B. S. Associates			245.30		245.30
Valecha Dilip JV			264.02		264.02
DBL Employee VBF Fund Trust			523.39		523.39
Shri Bharat Singh (President)				7.80	7.80
<b>Total</b>	<b>216,392.47</b>	<b>1,343.83</b>	<b>26,379.32</b>	<b>7.80</b>	<b>244,123.42</b>

(Rs. In Lakhs)

Nature of transaction	Year ended 31 March 2018				Grand Total
	Subsidiaries	Associates	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
<b>Investment in Shares – Equity</b>					
DBL Ashoknagar-Vidisha Tollways Limited		598.81			598.81
DBL Bankhlafta Dongawa Tollways Limited		480.00			480.00
DBL Jaora Sailana Tollways Limited		600.00			600.00
DBL Mundi Sanawad Tollways Limited		631.41			631.41
DBL Nadiad Modasa Tollways Limited		859.67			859.67
DBL Sardarpur Badnawar Tollways Limited		300.12			300.12
DBL Silwani Sultanganj Tollways Limited		631.41			631.41
DBL Sitamau Suwasara Tollways Limited		232.51			232.51
DBL Uchera Nagod Tollways Limited		960.01			960.01
DBL Betul Sarni Tollways Limited	8,059.00				8,059.00
DBL Tikamgarh Nowgaon Tollways Limited	2,600.00				2,600.00

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Nature of transaction	Year ended 31 March 2018				Grand Total
	Subsidiaries	Associates	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
Suryavanshi Infrastructure Private Limited	647.30				647.30
DBL Hata Dargawon Tollways Limited	1,355.03				1,355.03
DBL Patan Rehli Tollways Limited	1,788.61				1,788.61
Jalpa Devi Tollways Limited	22,000.01				22,000.01
DBL Hassan Periyapatna Tollways Ltd	1,808.65				1,808.65
DBL Hirekerur Ranibennur Tollways Ltd	1,603.04				1,603.04
DBL Mundargi Harapanahalli Tollways Ltd	1,379.00				1,379.00
DBL Lucknow Sultanpur Highways Ltd	7,115.00				7,115.00
DBL Tuljapur Ausa Highways Ltd	2.55				2.55
DBL Kalmath Zarap Highways Ltd	5.00				5.00
Bhavya Infra & Systems Private Limited	63.30				63.30
Jalpa Devi Engineering Private Limited	5.00				5.00
DBL Mahagoan Yavatmal Highways Private Ltd	10.00				10.00
DBL Wardha Butibori Highways Private Ltd	10.00				10.00
DBL Yavatmal Wardha Highways Private Ltd	10.00				10.00
DBL Chandikhole Bhadrak Highways Private Ltd	5.00				5.00
DBL VPR Mining Private Ltd	0.74				0.74
<b>Security Deposit given</b>					
Shree Vinayak Enterprises & Properties			450.00		450.00
DBL-DECO JV			3,018.88		3,018.88
<b>Trade Receivables</b>					
DBL Ashoknagar-Vidisha Tollways Limited		3.92			3.92
DBL Betul Sarni Tollways Limited	1,233.82				1,233.82
DBL Hata Dargawon Tollways Limited	64.66				64.66
DBL Mundi Sanawad Tollways Limited		7.06			7.06
DBL Nadiad Modasa Tollways Limited		745.13			745.13

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Nature of transaction	Year ended 31 March 2018				Grand Total
	Subsidiaries	Associates	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
DBL Patan Rehli Tollways Limited	375.36				375.36
DBL Tikamgarh Nowgaon Tollways Limited	514.50				514.50
DBL Tuljapur Ausa Highways Ltd	3,540.16				3,540.16
DBL Hassan Periyapatna Tollways Ltd	6,455.97				6,455.97
DBL Hirekerur Ranibennur Tollways Ltd	3,553.50				3,553.50
DBL Mundargi Harapanahalli Tollways Ltd	2,287.13				2,287.13
DBL Kalmath Zarap Highways Ltd	1,107.75				1,107.75
DBL Lucknow Sultanpur Highway Ltd	8,043.76				8,043.76
DBL Sardarpur Badnawar Tollways Limited		4.21			4.21
DBL Silwani Sultanganj Tollways Limited		7.13			7.13
DBL Sitamau Suwasara Tollways Limited		16.74			16.74
DBL Mahagoan Yavatmal Highways Private Ltd	16,038.44				16,038.44
DBL Wardha Butibori Highways Private Ltd	671.68				671.68
DBL Yavatmal Wardha Highways Private Ltd	1,262.59				1,262.59
Suryavanshi Infrastructure Private Limited	7.88				7.88
DBL Uchera Nagod Tollways Limited		4.67			4.67
Valecha Dilip JV			22.60		22.60
DBL-DECO JV			6,489.53		6,489.53
Dilip Buildcon-Varah Infra Ltd (JV)			11,242.83		11,242.83
Dilip Buildcon-MBZ JV			7,208.83		7,208.83
<b>Unsecured Loans Given</b>					
DBL Betul Sarni Tollways Limited	1,753.49				1,753.49
DBL Tikamgarh Nowgaon Tollways Limited	950.58				950.58
Suryavanshi Infrastructure Private Limited	2,716.22				2,716.22
DBL Hata Dargawon Tollways Limited	1,303.96				1,303.96
DBL Patan Rehli Tollways Limited	4,056.23				4,056.23

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Nature of transaction	Year ended 31 March 2018				Grand Total
	Subsidiaries	Associates	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
Jalpa Devi Tollways Limited	6,095.83				6,095.83
DBL Hassan Periyapatna Tollways Ltd	1,245.15				1,245.15
DBL Hirekerur Ranibennur Tollways Ltd	1,840.21				1,840.21
DBL Mundargi Harapanahalli Tollways Ltd	1,918.74				1,918.74
DBL Lucknow Sultanpur Highways Ltd	7,224.89				7,224.89
DBL Kalmath Zarap Highways Ltd	4,025.70				4,025.70
Bhavya Infra & Systems Private Limited	586.80				586.80
Jalpa Devi Engineering Private Limited	1,276.57				1,276.57
DBL Mahagaon Yavatmal Highways Private Ltd	6,230.93				6,230.93
DBL Yavatmal Wardha Highways Private Ltd	5,306.65				5,306.65
DBL Wardha Butibori Highways Private Ltd	5,628.57				5,628.57
DBL VPR Mining Private Ltd	0.10				0.10
DBL Bankhlafata Dongawa Tollways Limited		22.23			22.23
DBL Mundi Sanawad Tollways Limited		1,368.53			1,368.53
DBL Nadiad Modasa Tollways Limited		1,879.68			1,879.68
DBL Sardarpur Badnawar Tollways Limited		81.35			81.35
DBL Sitamau Suwasara Tollways Limited		4.17			4.17
DBL Ashoknagar-Vidisha Tollways Limited		4.36			4.36
DBL Jaora Sailana Tollways Limited		4.22			4.22
DBL Silwani Sultanganj Tollways Limited		464.57			464.57
DBL Uchera Nagod Tollways Limited		0.93			0.93
<b>Withheld Money</b>					
Dilip Buildcon-MBZ JV			200.00		200.00
Dilip Buildcon-Varah Infra Ltd (JV)			2,322.16		2,322.16

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Nature of transaction	Year ended 31 March 2018				Grand Total
	Subsidiaries	Associates	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
<b>Advance given</b>					
B. S. Associates			245.30		245.30
Valecha Dilip JV			264.02		264.02
DBL Employee VBF Fund Trust			471.75		471.75
Shri Bharat Singh (President)				4.23	4.23
<b>Total</b>	<b>145,785.05</b>	<b>9,912.86</b>	<b>31,935.91</b>	<b>4.23</b>	<b>187,638.06</b>

### 2) Balances payable to related parties

(Rs. In Lakhs)

Nature of transaction	Year ended 31 March 2019			Grand Total
	Subsidiaries	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
<b>Advance received</b>				
DBL Lucknow Sultanpur Highways Ltd	8,035.54			8,035.54
DBL Kalmathzarap Highways Ltd	2,939.00			2,939.00
DBL Wardha Butibori Highways Private Ltd	1,929.00			1,929.00
DBL Yavatmal Wardha Highways Private Ltd	5,049.58			5,049.58
DBL Anandapuram Anakapalli Highways Private Limited	15,765.70			15,765.70
DBL Byrapura Challakere Highways Private Limited	5,709.36			5,709.36
DBL Chandikhole Bhadrak Highways Private Ltd	15,220.00			15,220.00
DBL Rewa SidhiHighways Private Limited	11,530.00			11,530.00
Dilip Buildcon-MBZ JV	7,689.96			7,689.96
<b>Unsecured Loans Taken</b>				
DBL-MBZ JV		686.31		686.31
DBL Deco JV		155.42		155.42
Dilip Buildcon-Varah Infra Ltd (JV)		1,688.48		1,688.48
Highfly Airlines Pvt. Limited		24.06		24.06
<b>Amounts Payable</b>				
Shree Vinayak Enterprises & Properties		4.48		4.48
Bhavya Infra & Systems Private Limited	281.31			281.31
Shri Dilip Suryavanshi			635.22	635.22
Smt. Seema Suryavanshi			99.02	99.02
Shri Devendra Jain			1,073.28	1,073.28
<b>Total</b>	<b>74,149.45</b>	<b>2,558.75</b>	<b>1,807.52</b>	<b>78,515.72</b>

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

(Rs. In Lakhs)

Nature of transaction	Year ended 31 March 2018			Grand Total
	Subsidiaries	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
<b>Advance received</b>				
Jalpa Devi Tollways Limited	584.57			584.57
DBL Lucknow Sultanpur Highways Ltd	8,400.00			8,400.00
DBL Kalmathzarap Highways Ltd	2,869.83			2,869.83
DBL Mahagaon Yavatmal Highways Private Ltd	21,444.03			21,444.03
DBL Mundargi Harapanahalli Tollways Ltd	2,356.50			2,356.50
DBL Tuljapur Ausa Highways Ltd	5,561.30			5,561.30
DBL Wardha Butibori Highways Private Ltd	7,991.33			7,991.33
DBL Yavatmal Wardha Highways Private Ltd	3,205.82			3,205.82
Dilip Buildcon-MBZ JV		12,955.23		
<b>Unsecured Loans Taken</b>				-
DBL Tuljapur Ausa Highways Ltd	73.48			73.48
DBL-MBZ JV		369.15		369.15
Highfly Airlines Pvt. Limited		24.06		24.06
DBL Deco JV		622.01		622.01
DBL -VARAHA INFRA LIMITED (JV) (AMBALA) U/L		1,927.69		1,927.69
<b>Amounts Payable</b>				-
Shree Vinayak Enterprises & Properties		4.48		4.48
Shri Dilip Suryavanshi			389.36	389.36
Smt. Seema Suryavanshi			43.34	43.34
Shri Devendra Jain			604.70	604.70
<b>Total</b>	<b>52,486.85</b>	<b>15,902.61</b>	<b>1,037.40</b>	<b>56,471.64</b>

### Note 29: Movement in provision

(Rs. In Lakhs)

Particulars	Defect Liability Provision	Provision for Loss on sale of Investment
<b>Carrying amount as at 31 March 2017</b>	<b>958.85</b>	<b>-</b>
Additional provision recognised during year	800.00	3,908.00
Amount utilised during the year	1,192.76	-
Unused amounts reversed during the year	-	-
Unwinding of provision during the year	-	-
<b>Carrying amount as at 31 March 2018</b>	<b>566.09</b>	<b>3,908.00</b>
Additional provision recognised during year	700.00	-
Amount utilised during the year	509.47	-
Unused amounts reversed during the year	-	-
Unwinding of provision during the year	-	-
<b>Carrying amount as at 31 March 2019</b>	<b>756.62</b>	<b>3,908.00</b>
Non-current	<b>756.62</b>	<b>3,908.00</b>
Current	-	-

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

### Note 30: Fair value of financial assets and liabilities

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

(Rs. In Lakhs)

Sr. No.	Particulars	Carrying value		Fair value	
		31 March 2019	31 March 2018	31 March 2019	31 March 2018
	<b>Financial Asset</b>				
<b>(a)</b>	<b>Carried at amortised cost</b>				
(i)	Trade receivable *	140,926.25	138,443.36	-	-
(ii)	Security deposits	21,297.87	23,269.79	21,297.87	23,269.79
(iii)	Loans to subsidiaries	77,779.14	55,990.67	77,779.14	55,990.67
(iv)	Deposit in banks	7,869.17	6,548.72	7,869.17	6,548.72
(v)	Other financial asset	44,674.00	23,272.61	44,674.00	23,272.61
(vi)	Cash and cash equivalent *	18,879.54	16,129.82	-	-
	<b>Financial Liabilities</b>				
<b>a)</b>	<b>Carried at amortised cost</b>				
(i)	Borrowings	357,634.83	294,124.87	357,634.83	294,124.87
(ii)	Trade payable *	172,406.91	150,777.56	-	-
(iii)	Other financial liabilities	17,864.64	13,702.14	17,864.64	13,702.14
(iv)	Interest accrued but not due on borrowings	1,360.60	1,483.51	1,360.60	1,483.51

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuations, including independent price validation for certain instruments. Further, in other instances, Company retains independent pricing vendors to assist in corroborating the valuations of certain instruments.

The fair value of the financial assets and liabilities are included at the amount at which the instrument that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date.

#### The following methods and assumptions were used to estimate the fair values:

\* The company has not disclosed the fair values of trade payables, trade receivables and cash and cash equivalents because their carrying amounts are reasonable approximation of fair value.

Fair value of security deposits have been estimated using a discounted cash flow model. The valuation requires management to make certain assumptions about interest rates, maturity period, credit risk, forecated cash flows.

Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the company based on parameters such as interest rates, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables. As of reporting date the carrying amounts of such receivables, net of allowances are not materially different from their calculated fair values.

Carrying value of loans from banks, other non current borrowings and other financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The own non- performance risk as at reporting date was assessed to be insignificant.

#### Fair value hierarchy

The following table provides the fair value measurement hierarchy of Company's assets and liabilities grouped into Level 1 to Level 3 as described in significant accounting policies - Note 1. Further table describes the valuation techniques used, key inputs to valuations and quantitative information about significant unobservable inputs for fair value measurements.

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

### Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2019:

(Rs. In Lakhs)

Sr. No.	Particulars	Fair value measurement using			Valuation technique used	Inputs used
		Level 1	Level 2	Level 3		
<b>(a)</b>	<b>Financial assets measured at amortised cost</b>					
(i)	Security deposits		21,297.87		Discounted cash flows	Forecast cash flows, discount rate, maturity
(ii)	Loans to subsidiaries		77,779.14			
(iii)	Deposit in banks		7,869.17			
(iv)	Other financial asset		44,674.00			
<b>(b)</b>	<b>Financial liability measured at amortised cost</b>					
(i)	Borrowings		357,634.83		Discounted cash flows	Forecast cash flows, discount rate, maturity
(ii)	Other financial liabilities		17,864.64			
(iii)	Interest accrued but not due on borrowings		1,360.60			

### Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2018:

(Rs. In Lakhs)

Sr. No.	Particulars	Fair value measurement using			Valuation technique used	Inputs used
		Level 1	Level 2	Level 3		
<b>(a)</b>	<b>Financial assets measured at amortised cost</b>					
(i)	Security deposits		23,269.79		Discounted cash flows	Forecast cash flows, discount rate, maturity
(ii)	Loans to subsidiaries		55,990.67			
(iii)	Deposit in banks		6,548.72			
(iv)	Other financial asset		23,272.61			
<b>(b)</b>	<b>Financial liability measured at amortised cost</b>					
(i)	Borrowings		294,124.87		Discounted cash flows	Forecast cash flows, discount rate, maturity
(ii)	Other financial liabilities		13,702.14			
(iii)	Interest accrued but not due on borrowings		1,483.51			

During the year ended 31 March 2019 and 31 March 2018 there were no transfers between level 1 and level 2 fair value measurements and no transfers into and out of level 3 fair value measurement.

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

## Note 31: Employee Benefits :

### i Defined Contribution Plans:

- a) Amount of Rs. 3,546.31/- lakhs (P.Y. Rs.3,385.99/- lakhs) is recognised as an expense as contribution to Provident Fund and ESIC and included in "Employees benefits expense" (Note 21) in the Profit and Loss Statement.
- b) The expenses for leave entitlement recognised in the profit and loss statement is Rs. 1,646.56/- lakhs (P.Y. Rs. 240.90/- lakhs) and is included under 'Employee's welfare and Other amenities' in "Employees benefits expense" (Note 21) in the Profit and Loss Statement.

### ii Defined Benefit Plans:

#### a) The amounts recognised in Balance Sheet are as follows:

Particulars	Rs. in lakhs	
	As at 31 March 2019	As at 31 March 2018
	Gratuity Plan (Funded)	Gratuity Plan (Funded)
A. Amount to be recognised in Balance Sheet		
Present Value of Defined Benefit Obligation	3,528.41	2,400.44
Less: Fair Value of Plan Assets	(397.90)	(363.49)
Amount to be recognised as liability or (asset)	3,130.51	2,036.95

#### b) The amounts recognised in the Profit and Loss Statement are as follows:

Sr. No.	Particulars	Rs. in lakhs	
		2018-19	2017-18
		Gratuity Plan (Funded)	Gratuity Plan (Funded)
1	Current Service Cost	940.21	672.03
2	Past service cost and loss/(gain) on curtailments and settlement		63.38
3	Net Interest (income)/ expenses	118.53	91.29
	Net periodic benefit cost recognised in the statement of profit & loss- (Employee benefit expenses - Note 21)	1,058.74	826.70

#### c) The amounts recognised in the statement of other comprehensive income (OCI)

Sr. No.	Particulars	Rs. in lakhs	
		2018-19	2017-18
		Gratuity Plan (Funded)	Gratuity Plan (Funded)
1	Opening amount recognised in OCI outside profit and loss account	-	-
2	Due to Change in financial assumptions	31.40	(50.62)
3	Due to Change in demographic assumptions	-	-
4	Due to experience adjustments	29.47	0.30
5	Return on Plan assets excluding amounts included in Interest Income	19.94	0.09
6	Total Remeasurements Cost / (Credit ) for the year recognised in OCI	80.81	(50.23)
	Less: Accumulated balances transferred to retained earnings	-	-
	Closing balances (remeasurement (gain)/ loss recognised OCI)	80.81	(50.23)

#### d) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Sr. No.	Particulars	Rs. in lakhs	
		As at 31 March 2019	As at 31 March 2018
		Gratuity Plan (Funded)	Gratuity Plan (Funded)
1	Balance of the present value of Defined benefit Obligation as at 01-04-2018 / 01-04-2017	2,400.44	1,692.13
2	Interest expenses	164.41	117.61
3	Current Service Cost	940.22	672.03

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Sr. No.	Particulars	As at 31 March 2019 Gratuity Plan (Funded)	As at 31 March 2018 Gratuity Plan (Funded)
4	Actuarial (gain) / loss due to change in financial assumptions	31.40	(50.62)
5	Actuarial (gain) / loss due to change in demographic assumptions	-	-
6	Actuarial (gain) / loss due to change in experience adjustments	29.47	0.30
7	Past Service Cost	-	63.38
8	Benefits paid	(37.53)	(94.39)
	Present value of obligation as at the end of the period 31-03-2019 / 31-03-2018	<b>3,528.41</b>	<b>2,400.44</b>

**e) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:**

Sr. No.	Particulars	Gratuity Plan (Funded) As at 31 March 2019	Gratuity Plan (Funded) As at 31 March 2018
1	Fair value of the plan assets as at beginning of the period 01-04-2018 / 01-04-2017	363.49	378.67
2	Interest income	45.88	26.32
3	Contributions	46.00	52.98
4	Benefits paid	(37.53)	(94.39)
5	Return on plan assets, excluding amount recognized in Interest Income - Gain / (Loss)	(19.94)	(0.09)
6	Fair value of plan assets as at the end of the period 31-03-2019 / 31-03-2018	397.90	363.49
7	Actual return on plan assets	25.94	26.23

**f) Net interest (Income) /expenses**

Sr. No.	Particulars	Gratuity Plan (Funded) As at 31 March 2019	Gratuity Plan (Funded) As at 31 March 2018
1	Interest (Income) / Expense – Obligation	164.41	117.61
2	Interest (Income) / Expense – Plan assets	(45.88)	(26.32)
3	Net Interest (Income) / Expense for the year	118.53	91.29

**g) The broad categories of plan assets as a percentage of total plan assets as at 31-03-2019 of Employee's Gratuity Scheme are as under:**

Sr. No.	Particulars	As at 31 March 2019	As at 31 March 2018
1	Central Government Securities	0.00%	0.00%
2	State Government Securities	0.00%	0.00%
3	High quality Corporate bonds	0.00%	0.00%
4	Equity Shares of listed companies	0.00%	0.00%
5	Property	0.00%	0.00%
6	Special Deposit Scheme	0.00%	0.00%
7	Policy of Insurance	100.00%	100.00%
8	Bank Balance	0.00%	0.00%
9	Other Investments	0.00%	0.00%
	<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

**Basis used to determine the overall expected return:**

The net interest approach effectively assumes an expected rate of return on plan assets equal to the beginning of the year Discount Rate. Expected return of 7.90% has been used for the valuation purpose.

**h) Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)**

- Discount rate as at 31-03-2019 - 7.15%
- Expected return on plan assets as at 31-03-2019: 7.15%
- Salary growth rate : For Gratuity Scheme - 8.00%

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

- 4 The estimates of future salary increase considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**i) The amounts pertaining to defined benefit plans are as follows:**

Particulars	Rs. in lakhs	
	As at 31 March 2019	As at 31 March 2018
	Gratuity Plan	Gratuity Plan
	(Funded)	(Funded)
Defined Benefit Obligation	3,528.41	2,400.44
Plan Assets	(397.90)	(363.49)
<b>Net Liability / (Assets)</b>	<b>3,130.51</b>	<b>2,036.95</b>

**j) General descriptions of defined plans:**

**1 Gratuity Plan:**

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service.

**k) The Company expects to fund Rs.1172.52/- lakhs towards its gratuity plan in the year 2019-20.**

**l) Sensitivity analysis**

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligation (PVO). Sensitivity analysis is done by varying (increasing/ decreasing) one parameter by 50 basis points (0.5%)

Sr. No.	Change in assumption	Rs. in lakhs	
		Effect on gratuity obligation	Effect on gratuity obligation
		Gratuity Plan	Gratuity Plan
		31 March 2019	31 March 2018
<b>1</b>	<b>Discount rate</b>		
	Increase by 0.5%	3,425.82	2,331.57
	Decrease by 0.5%	3,637.16	2,473.40
<b>2</b>	<b>Salary increase rate</b>		
	Increase by 0.5%	3,630.65	2,468.99
	Decrease by 0.5%	3,430.17	2,334.24

Sr. No.	Change in assumption	Effect on gratuity obligation	Effect on gratuity obligation
		Gratuity Plan	Gratuity Plan
		31 March 2019	31 March 2018
<b>3</b>	<b>Withdrawal rate</b>		
	Increase by 10%	3,442.01	2,338.84
	Decrease by 10%	3,621.16	2,465.89

Particulars	Rs. in lakhs	
	As at 31 March 2019	As at 31 March 2018
Amount of Gratuity in respect of employees of subsidiary companies		
taken over on account of sale of subsidiaries	-	16.30

**Note 32: Financial risk management policy and objectives**

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company is focused on maintaining a strong equity base to ensure independence, security, as well as financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company.

Company's principal financial liabilities, comprise borrowings from banks, trade payables and security deposits. The main purpose of these financial liabilities is to finance Company's operations (short term). Company's principal financial assets include investments, security deposit, trade and other receivables, deposits with banks and cash and cash equivalents, that derive directly from its operations.

Company is exposed to market risk, credit risk and liquidity risk.

**i) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings, trade and other payables, security deposit, trade and other receivables, deposits with banks.

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

The sensitivity analysis in the following sections relate to the position as at 31 March 2019 and 31 March 2018. The sensitivity of the relevant income statement item is the effect of the assumed changes in respective market risks. The sensitivity analysis have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt are constant at 31 March 2019.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity, other post retirement obligations and provisions

Company's activities exposed to interest rate risk.

## a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. At the reporting date the interest rate profile of the Company's interest bearing financial instruments are follows:

Particulars	31 March 2019	31 March 2018
<b>Variable rate borrowings</b>		
Term loan from banks	12,164.58	9,883.73
From Others	-	-

The Company is exposed to debt obligations with variable interest rates. Accordingly, interest rate sensitivity disclosure is applicable and disclosed below:

Particulars	2019 (In INR)	2018 (In INR)
Impact on profit after tax or equity		
Increase by 70 basis points	(55.68)	(45.24)
Decrease by 70 basis points	55.68	45.24

## ii) Credit risk

Credit risk on trade receivables and unbilled work-in-progress is limited as the customers of the Company

mainly consists of the government promoted entities having a strong credit worthiness. For other customers, the Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled work-in-progress. The provision matrix takes into account available external and internal credit risk factors such as credit ratings from credit rating agencies, financial condition, ageing of accounts receivable and the Company's historical experience for customers.

The ageing of trade receivables at the reporting date that were not impaired are as follows :

Particulars	31 March 2019	31 March 2018
Less than 180 days	125,373.34	129,601.99
More than 180 days	39,802.91	22,091.37

## b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the company in accordance with company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Company monitors rating, credit spreads and financial strength of its counter parties. Company monitors ratings, credit spread and financial strength of its counter parties. Based on ongoing assessment company adjust it's exposure to various counterparties. Company's maximum exposure to credit risk for the components of balance sheet is the carrying amount as disclosed in Note 8.

## iii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash flow and collateral obligations without incurring unacceptable losses. Company's objective is to, at all time maintain optimum levels of liquidity to meet its cash and collateral requirements. Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing at optimised cost.

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

The table summarises the maturity profile of company's financial liabilities based on contractual undiscounted payments

<b>As at 31 March 2019</b>					
<b>Decrease by 70 basis points</b>	<b>Carrying amount</b>	<b>1 year</b>	<b>1-3 years</b>	<b>Beyond 3 Years</b>	<b>Total Amount</b>
Interest bearing borrowings	355,080.56	240,483.38	89,236.11	25,361.06	355,080.55
Loans from Related Parties	2,554.27	2,554.27	-	-	2,554.27
Other financial liabilities	19,228.37	19,228.37	-	-	19,228.37
Trade Payables	172,406.91	172,406.91	-	-	172,406.91
<b>As at 31 March 2018</b>					
<b>Particulars</b>	<b>Carrying amount</b>	<b>1 year</b>	<b>1-3 years</b>	<b>Beyond 3 Years</b>	<b>Total Amount</b>
Interest bearing borrowings	291,108.48	186,839.30	63,096.31	41,172.87	291,108.48
Loans from Related Parties	3,016.39	3,016.39	-	-	3,016.39
Other financial liabilities	15,188.55	15,188.55	-	-	15,188.55
Trade Payables	150,777.56	150,777.56	-	-	150,777.56

### Note 33 : Expenditure in foreign currency

		Rs. in lakhs			
<b>Particulars</b>	<b>For year ended March 31, 2019</b>	<b>For year ended March 31, 2018</b>	<b>Net debt</b>	<b>530,390.56</b>	<b>443,961.16</b>
Consultancy charges	177.23	1641.79	Equity	320,442.20	245,706.02
Purchase of Materials	2,203.58	1284.92	<b>Capital and net debt</b>	<b>850,832.76</b>	<b>689,667.18</b>
Capital Expenditure	3,015.86	31.04	Gearing ratio	62.34%	64.37%
<b>Total</b>	<b>5,396.67</b>	<b>2,957.75</b>			

### Note 34: Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

<b>Particulars</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
Loans and borrowings	320,121.84	277,064.02
Trade payables	172,406.91	150,777.56
Other financial liability	56,741.36	32,249.40

Less: Cash and cash equivalents	18,879.54	16,129.82
<b>Net debt</b>	<b>530,390.56</b>	<b>443,961.16</b>
Equity	320,442.20	245,706.02
<b>Capital and net debt</b>	<b>850,832.76</b>	<b>689,667.18</b>
Gearing ratio	62.34%	64.37%

### Note 35: Disclosure of Creditors outstanding under MSMED Act, 2006

Disclosure of sundry creditors under current liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" (the Act). There are no delays in payment made to such suppliers and there is no overdue amount outstanding as at the Balance sheet date. Relevant disclosures as required under the Act are as follows:

		(Rs. in Lakhs)	
<b>Sr. No.</b>	<b>Particulars</b>	<b>31 March 2019</b>	<b>31 March 2018</b>
a)	i) Principal amount remaining unpaid to supplier under the MSMED Act 2006	3,511.46	133.72
	ii) Interest on a) (i) above	Nil	Nil
b)	i) Amount of Principal paid beyond the appointed Date	Nil	Nil

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

ii)	Amount of interest paid beyond the appointed date (as per Section 16 of the said Act)	Nil	Nil
c)	Amount of Interest due and payable for the year of delay in making payment, but without adding the interest specified under section 16 of the said Act	Nil	Nil
d)	Amount of Interest accrued and due	Nil	Nil
e)	Amount of further interest remaining due and payable Even in succeeding years	Nil	Nil

### Note 36:

The Company has taken certain Premises/Fixed assets under lease, leave and license agreements for the year which generally range between 11 months to 3 years. These arrangements are renewable by mutual consent on mutually agreed terms. The total lease rent and office rent payments amounting to Rs. 9,668.85/- Lakhs (P.Y. Rs. 6,293.53/- Lakhs) has been charged to Statement of Profit and Loss as Lease Rent Expense under Note No. 19 and Office Rent under Note No. 23. Also the company has entered into operating lease arrangement for equipments during the current year. Expenses for equipment leasing payments in respect of these equipments as on 31 March 2019 is as below:

(Rs. in Lakhs)		
Particulars	31 March 2019	31 March 2018
Due not later than one year	4,042.43	4,663.26
Due later than one year but not later than five years	2,458.20	7,002.98
<b>Total</b>	<b>6,500.63</b>	<b>11,666.24</b>

### Note 37:

- Balances of Debtors, Creditors, Advances, Deposits, and Unsecured Loans etc are subject to confirmation and reconciliation.
- In opinion of the Board of Directors of the company, the Current Assets, Loans and Advances are expected to be realized approximately at the value at which they are stated in the accounts in the ordinary course of business.

### Note 38:

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at 31st March 2019.

### Note 39:

Segments have been identified in accordance with Indian Accounting Standards (Ind AS) 108 on Operating Segments considering the risk or return profiles of the business. As required under Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the performance and allocates resources based on analysis of various performance indicators. Accordingly, information has been presented for the Group's operating segments and the company has identified business segment as primary segment. The reportable segment is Construction and Engineering Contracts and the business of Construction and Development of Real Estate is at a nascent stage and no actual operations have commenced.

### Note 40:

Royalty on use of construction material is determined by the concerned authorities and the amount of Royalty payable as at year end has not been ascertained in absence of necessary confirmation from the said authorities and the management does not consider the same to be substantial and material.

### Note 41:

- The company had signed indicative Term sheet with a party on August 24, 2017 in respect of 24 subsidiaries for divestment of its entire stake. The Share acquisition cum shareholders agreement in respect of these 24 subsidiaries was entered into in March 2018.
- During the year ended 31 March 2019, the Company has sold 15% shares (in addition to 70% shares sold in previous year) in respect of its seven associates and 4% shares (in addition to 70% shares sold in previous year) in respect of one associate. The Company has earned a profit of Rs.426.60 lakhs (previous year - Rs. 2,387.23/- lakhs netted off) on transfer of shares which has been reflected as Exceptional item in the statement of profit and loss. During the previous year, the company had sold 70% shares in respect of one subsidiary and 48.90% shares in respect of another subsidiary. The Balance shareholding in these ten companies will be transferred on fulfillment of the conditions as specified in the Share acquisition cum shareholders agreement. The investment in these companies is disclosed in accordance with provisions of Ind AS 105 Non-current Assets held for sale and Discontinued Operations.

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

- c. In respect of the balance 14 subsidiaries, the actual transfer of shares will be executed after obtaining the necessary approvals as specified in the Share acquisition cum shareholders agreement. The Company had recognised Rs.3,908.00 lakhs (netted off) as impairment loss on the investment in these subsidiaries in the previous years and the same was reflected as Exceptional item in the statement of profit and loss. During the previous year the Company had disclosed 5 subsidiaries out of the 14 subsidiaries as Non current assets held for sale and they continue to be shown as Non current assets held for sale as at 31 March 2019 since the necessary approvals required to transfer the shares in accordance with the Share acquisition cum shareholders agreement are still being obtained by the Company.

### Note 42:

As per provisions of the Companies Act, 2013 the Company was required to spend Rs.858.00/- lakhs (P.Y. Rs. 531.71/- lakhs) on CSR activities during the preceding year. The Company had incurred expenditure relating to CSR activities amounting to Rs.107.94/- lakhs (P.Y. Rs. 233.66/- lakhs) and the same is reflected in Other Expenses in Note 23.

### Note 43:

As per Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, the company has to create a Debenture Redemption Reserve for the purpose of redemption of debentures at the rate of 25% of the value of the outstanding debentures.

The value of outstanding debenture being Rs. 60,000/- lakhs at year ending March 2019, the debenture redemption reserve of Rs. 15,000/- lakhs was created in the financial year 2017-18 and the equivalent amount was transferred from 'Retained Earnings' to 'Debenture Redemption Reserve'.

### Note 44:

The disclosure under section 186(4) of the Companies Act, 2013:

#### a. Corporate Guarantees given on behalf of associate

(Rs. in Lakhs)

Name of the Subsidiary	31 March 2019	31 March 2018
DBL Ashoknagar-Vidisha Tollways Limited	2,000.00	2,000.00
<b>Total</b>	<b>2,000.00</b>	<b>2,000.00</b>

Notes: i. All the guarantees and security given are for general business purposes.

#### b. Corporate Guarantees given on behalf of subsidiaries

(Rs. in Lakhs)

Name of the Subsidiary	31 March 2019	31 March 2018
DBL Tikamgarh Nowgaon Tollways Limited	1,700.00	1,700.00
DBL Betul Sarni Tollways Limited	6,511.93	20,900.61
DBL Hata Dargawon Tollways Limited	2,422.51	7,467.10
DBL Patan Rehli Tollways Limited	4,826.30	17,797.14
DBL Mundargi Harapanahalli Tollways Ltd	728.20	7,878.61
DBL Lucknow Sultanpur Highways Limited	15,933.00	35,702.00
DBL Kalmath Zarap Highways Limited	8,790.40	3,142.00
DBL Yavatmal Wardha Highways Private Ltd	5,672.40	3,355.32
DBL Tuljapur Ausa Highways Ltd	6,436.50	4,233.73
DBL Mahagaon Yavatmal Highways Pvt Ltd	6,280.50	-
DBL Chandikhole Bhadrak Highways Pvt Ltd	2,429.00	-
DBL Wardha Butibori Highways Private Ltd	5,057.80	4,166.11
Jalpa Devi Tollways Limited	6,572.00	59,838.54
<b>Total</b>	<b>73,360.54</b>	<b>166,181.16</b>

Notes: i. All the guarantees and security given are for general business purposes.

#### Note 45: Disclosure as per Ind AS 115 - Revenue from Contract with Customers

##### (a) Contract with Customers

- The company has recognized Rs. 9,09,115.49/- lakhs as revenue from Contracts with customers during the year.
- There are no impairment losses recognized on any receivables or contract assets arising from contracts with customers.

##### (b) Disaggregation of Revenue

- Segments have been identified in accordance with Indian Accounting Standards (Ind AS) 108 on Operating Segments

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

considering the risk or return profiles of the business. As required under Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the performance and allocates resources based on analysis of various performance indicators. Accordingly, information has been presented for the Group's operating segments and the company has identified business segment as primary segment. The reportable segment is Construction and Engineering Contracts and the business of Construction and Development of Real Estate is at a nascent stage and no actual operations have commenced.

- Therefore the company has identified the reportable segment as 'Construction and Engineering Contracts' and it believes that this identification best depict show the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

### (c) Contract Balances and Trade Receivables

#### (i) Contract Balances

- Revenue recognised during the year from opening balance of contract liabilities amounts to Rs. 59,721.65/- lakhs. Revenue recognised during the year from the change of scope, utility shifting, escalation and Operation and Maintenance amounts to Rs. 81,750.56/- lakhs.
- Changes in Contract Assets and Contract Liabilities are on account of transaction undertaken in the normal course of business. On account of adoption of Ind AS 115, unbilled revenue of Rs. 44,674.00/- Lakhs as at March 31, 2019 has been classified as part of other current asset.

#### (ii) Trade Receivables

- The company classifies the right to consideration in exchange for deliverables as either a receivables or as Unbilled Revenue.
- A receivable is a right to consideration that is unconditional upon passage of time.
- Revenue for construction contracts is recognised in profit or loss in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to surveys of work performed. Otherwise, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

- Revenue in excess of billings is recognized as Unbilled revenue and is classified as Financial Asset for these cases as right to consideration is unconditional upon passage of time.
- Trade receivables and Unbilled revenue are presented net of impairment (if any) in the Balance Sheet.
- During the year ended 31st March 2019, Rs. 23,272.61/- Lakhs of opening unbilled revenue has been reclassified to Trade Receivables upon billing to customers on completion of milestone.

### (d) Performance obligations

The company has applied the practical expedient as provided in Ind AS 115 and excluded the disclosure relating to remaining performance obligation for:

- contracts where the original expected duration is one year or less
- Contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date. Typically this involves those contracts where invoicing is on time and material basis.

Remaining performance obligation estimates are subject to change and are affected by several factors such as terminations, changes in the scope of contracts, periodic revalidations of estimates and other macro economic factors.

The aggregate amount of transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at March 31, 2019, after considering the practical expedient mentioned above is Rs.21,17,179.19/- lakhs out of which 50% is expected to be recognized as revenue within the next one year and the balance thereafter.

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

## Note 46:

Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities as required by Ind AS 7 "Statement of Cash Flows" is as under:

(Rs. in Lakhs)

Particulars	Long Term Borrowings	Short Term Borrowings
<b>Balance as on 31 March 2017</b>	<b>99,027.11</b>	<b>157,314.12</b>
<b>Add :</b> Cash inflow	194,836.77	1,720,345.08
<b>Less :</b> Cash outflow	172,702.38	1,704,864.36
<b>Add :</b> Non - Cash inflow	358.30	-
<b>Less :</b> Non - Cash outflow	189.77	-
<b>Balance as on 31 March 2018</b>	<b>121,330.03</b>	<b>172,794.84</b>
<b>Add :</b> Cash inflow	80,400.47	1,933,015.49
<b>Less :</b> Cash outflow	49,679.25	1,900,285.67
<b>Add :</b> Non - Cash inflow	58.92	-
<b>Less :</b> Non - Cash outflow	-	-
<b>Balance as on 31 March 2019</b>	<b>152,110.17</b>	<b>205,524.66</b>

## Note 47:

Figures relating to previous years have been regrouped / rearranged, wherever necessary.

The Notes on Account form integral part of the Financial Statements

1 to 47

As per our Report of even date

**For MUKUND M CHITALE & CO.**  
Chartered Accountants  
Firm Regn. No. 106655W

**For MSG & ASSOCIATES.**  
Chartered Accountants  
Firm Regn. No. 010254C

**For & on behalf of the Board**

**(Dilip Suryavanshi)**  
Managing Director  
DIN: 00039944

**(Devendra Jain)**  
CEO and Whole-time Director  
DIN: 02374610

**(S. M. Chitale)**  
Partner  
M.No. 111383

**(Geeta Rajani)**  
Partner  
M.No. 076889

**(Satish Chandra Pandey)**  
Director  
DIN: 07072768

**(Radhey Shyam Garg)**  
Chief Financial Officer

**(Abhishek Shrivastava)**  
Company Secretary

Place: Bhopal  
Dated : 10.05.2019

Place: Bhopal  
Dated : 10.05.2019

Place: Bhopal  
Dated : 10.05.2019

# INDEPENDENT AUDITOR'S REPORT

## To the Members of Dilip Buildcon Limited

### Report on the Audit of Consolidated Ind AS Financial Statements

#### 1. Opinion

We have audited the accompanying consolidated financial statements of Dilip Buildcon Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group"), its associates, which comprise the Consolidated Balance Sheet as at 31st March 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended of the consolidated state of affairs of the Group, its associates as at March 31, 2019, its consolidated profits, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### 2. Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing, as prescribed under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associates, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### 3 Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditors Response
1	<b>Accounting for Construction contracts</b> Significant accounting judgements including estimation of costs to complete, determining the stage of completion and the timing of revenue recognition. For majority of its contracts, the Company recognizes revenue and profit on the stage of completion based on the proportion of contract costs incurred for the work performed to the balance sheet date, relative to the estimated costs on the contract at completion. The recognition of revenue and profit / loss therefore are based on estimates in relation to the estimated total costs of each contract.	We performed the following audit procedures:  Testing the design and implementation of internal controls including control over process for determining estimates used as evaluating whether they are operating effectively.

S. No.	Key Audit Matter	Auditors Response
	<p>At each reporting date, revenue is accrued for costs incurred against work performed in accordance with the contract for which invoice may not have been raised. Identification that such accrual will result into work that would be billable and recoverable when the work has not been acknowledged by the customer involves significant amount of judgement.</p> <p>Revenue on contracts may also include variable consideration (variations and claims). Variable consideration are recognized when the recovery of such consideration is highly probable. The nature of these judgements results in being subject to management override.</p>	<p>Testing related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.</p> <p>Testing different sample of contracts for identification of performance obligations</p> <p>Reviewed the Company's process of collecting information supporting the basis for accrual of costs against work performed upto the cut off dates. Reviewed the design and operating effectiveness of management's key controls in collecting such data with respect of costs.</p> <p>Tested the cut-offs for revenue recognized against such un-invoiced amounts and reviewed the process of such recognition.</p> <p>Review for change of scope and impact of the same on estimated costs to complete the contracts</p> <p>Perform analytical procedures for reasonableness of revenues disclosed by type of contracts.</p>
2	<p><b>Assessment of receivables (including unbilled receivables)</b></p> <p>Risk of material misstatement related to estimation of expected credit loss as a result of lack of precision in their measurement. The estimates depend on number of factors such as ageing, credit risks and the ability of the parties to make payment.</p>	<p>We performed the following audit procedures:</p> <p>Assessed the company basis for determining the model, internal controls based on which the Company determines the basis of provisioning, compliance with and consistently applying the accounting policies</p> <p>Verification of subsequent receipts and post balance sheet events if any.</p>
4.	<p><b>Other Information (Information other the consolidated financial statements and Auditor's report thereon)</b></p> <p>The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Directors Report, Business Responsibility Report, Corporate Governance and Shareholders Information, but does not include the consolidated financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.</p> <p>Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.</p> <p>In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available</p>	<p>and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.</p> <p>When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.</p> <p><b>5. Responsibility of Management and those charged with Governance for the Consolidated Financial Statements</b></p> <p>The Holding company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including consolidated other comprehensive income,</p>

consolidated changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Ind AS accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The respective Board of Directors of the companies included in the group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the holding company as aforesaid..

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the group and of its associates are responsible for assessing the ability of the group and its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the group and of its associates are responsible for overseeing the financial reporting process of the group and of its associates.

## 6. Auditor's Responsibilities for the Audit of the Financial Statements

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

misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Standards on auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- i) Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.

- v) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- vi) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## 7 Other Matters

- (a) We did not audit the financial statements, in respect of twenty three subsidiaries, whose Ind AS financial statements include total assets of Rs.4,60,834.52/- lakhs, net assets of Rs.14,586.05/- lakhs as at March 31, 2019; total revenues of Rs.4,29,300.92/- lakhs for year ended and net cash inflows of Rs.20,288.98/- lakhs for year ended on that date as considered in the consolidated financial statements. The Consolidated financial statements also include the Group's share of loss Rs. (54.06/-) lakhs and total comprehensive loss Rs. (54.06/-) lakhs for the year ended 31 March 2019 as considered in the Consolidated financial statements, in respect of one associate whose financial statements have not been audited by us.

These Ind AS financial statements have been audited by other auditors whose financial statements, and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures as included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates is based solely on the report of other auditors.

- (b) The Financial Statements of eight subsidiaries, whose Ind AS Financial Statements reflect total assets of Rs.1,75,867.93/- Lakhs, net assets of Rs.25,936.92/- Lakhs, as at March 31, 2019, revenue of Rs. 20,415.99/- Lakhs and net cash inflows amounting to Rs.12,940.81/- Lakhs for the year ended on that date as considered in the consolidated financial statements have been audited by one of the joint auditors, M/s MSG & Associates. The Financial Statements of one associate whose Ind AS financial Statements reflect Group's share of profit Rs.428.37/- lakhs and total comprehensive profit Rs.428.37/- lakhs for the year ended 31 March 2019 as considered in the Consolidated Financial Statements have been audited by one of the joint auditors, M/s MSG & Associates., Chartered Accountants.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

## 8. Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, we report, to the extent applicable, 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 purpose of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including consolidated other comprehensive income), the Consolidated statement of changes in equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended.
- e) On the basis of written representations received from the directors of the Holding Company as on March 31, 2019, taken on record by the Board of Directors of the Holding company and the report of the Statutory Auditors of its subsidiary companies and associates companies, none of the directors of the Group companies, its associate companies, is disqualified as on March 31, 2019, from being appointed as a director in terms of section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report.
- g) With respect to the other matters to be included in the Auditors Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the holding Company and its subsidiary companies, where applicable, to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- h) 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 Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its, associates to the extent determinable/ascertainable. – Refer Note 25 to the consolidated financial statements.
  - ii. The Group and its associates does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Holding company, its subsidiary companies, its associates, during the year ended March 31, 2019.

**For Mukund M. Chitale & Co.**

Chartered Accountants  
Firm Registration No. 106655W

**(S.M. Chitale)**

Partner  
M. No. 111383

Place: Bhopal  
Date: 10.05.2019

**For MSG & Associates.**

Chartered Accountants  
Firm Registration No. 010254C

**(Geeta Rajani)**

Partner  
M. No. 076889

Place: Bhopal  
Date: 10.05.2019

# Annexure ‘A’ to the Auditors’ Report

## Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 8 (f) of our Audit Report of even date)

1. We have audited the internal financial controls over financial reporting of Dilip Buildcon Limited (hereinafter referred to as “the Holding Company”), its subsidiaries (the Holding Company and its Subsidiaries together referred to as “the Group”), its associates as of March 31, 2019 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, its associate companies incorporated in India are responsible for establishing and maintaining internal financial controls 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 on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India” (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors’ Responsibility

3. Our responsibility is to express an opinion on the Group’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical

requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group’s internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls over Financial Reporting

4. A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

- 5 Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

- 6 In our opinion, the Holding Company, its subsidiary companies, its associate companies, which are companies incorporated in India, have in all material respects, an adequate internal financial controls system over financial

#### **For Mukund M. Chitale & Co.**

Chartered Accountants

Firm Registration No. 106655W

#### **(S.M. Chitale)**

Partner

M. No. 111383

Place: Bhopal

Date: 10.05.2019

reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding Company, its subsidiary companies, its associate companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Other Matters**

- 7 Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to thirty one subsidiary companies and two associate companies incorporated in India, and to whom internal control over financial reporting is applicable, is based on the corresponding reports of the Auditors of such companies.

#### **For MSG & Associates.**

Chartered Accountants

Firm Registration No. 010254C

#### **(Geeta Rajani)**

Partner

M. No. 076889

Place: Bhopal

Date: 10.05.2019

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# Consolidated Balance Sheet as at 31 March 2019

					(Rs. In Lakhs)	
	Particulars	Notes	31 March 2019	31 March 2018		
	<b>ASSETS</b>					
(1)	<b>Non-current assets</b>					
	(a) Property, plant and equipment	2.1	206,139.44	184,241.11		
	(b) Capital work in progress	2.2	273,583.08	84,828.39		
	(c) Other Intangible assets	2.3	96,953.36	20,174.85		
	(d) Intangible assets under development	2.4	-	77,436.27		
	(e) Financial assets					
	(i) Investments	3	1,348.19	-		
	(ii) Trade receivables	4	78,920.88	81,231.32		
	(iii) Loans	8	-	-		
	(iv) Others	7	29,168.04	29,819.02		
	(f) Other non-current asset	9	76,364.86	57,579.45		
	<b>Total Non-Current Assets</b>		<b>762,477.84</b>	<b>535,310.39</b>		
(2)	<b>Current assets</b>					
	(a) Inventories	5	250,443.32	202,623.40		
	(b) Financial assets					
	(i) Investments	3	5,410.17	-		
	(ii) Trade receivables	4	116,190.93	115,461.09		
	(iii) Cash and cash equivalent	6	52,109.34	29,455.19		
	(iv) Loans	8	4,001.28	7,161.00		
	(v) Others	7	44,709.50	23,272.61		
	(c) Current Tax Asset (Net)		3,244.66	2,109.79		
	(d) Other current assets	9	204,118.98	137,431.66		
	<b>Total Current Assets</b>		<b>680,228.18</b>	<b>517,514.74</b>		
	Assets held-for-sale / Assets included in disposal group(s) held-for-sale	3	1,169.89	4,710.35		
	<b>TOTAL ASSETS</b>		<b>1,443,875.92</b>	<b>1,057,535.48</b>		
	<b>EQUITY AND LIABILITIES</b>					
	<b>Equity</b>					
	(a) Equity share capital	10(a)	13,676.98	13,676.98		
	(b) Other equity	10(b)	266,920.29	213,933.64		
	(c) Non Controlling Interest		2,882.23	1,435.44		
	<b>Total Equity</b>		<b>283,479.50</b>	<b>229,046.06</b>		
	<b>Liabilities</b>					
(1)	<b>Non-current liabilities</b>					
	(a) Financial liabilities					
	(i) Borrowings	11	482,019.25	293,856.48		
	(ii) Other financial liabilities	13	29.13	29.13		
	(b) Provisions	14	11,367.51	6,320.74		
	(c) Deferred tax liabilities	16	2,539.07	12,189.96		
	(d) Other non-current liabilities	15	74,841.65	29,436.30		
	<b>Total Non-Current Liabilities</b>		<b>570,796.61</b>	<b>341,832.61</b>		
(2)	<b>Current liabilities</b>					
	(a) Financial liabilities					
	(i) Borrowings	11	213,013.09	179,785.37		
	(ii) Trade payable					
	(a) total outstanding dues of micro enterprises and small enterprises;	12	3,511.46	133.72		
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises;	12	170,599.60	152,024.92		
	(iii) Other financial liabilities	13	67,676.44	36,471.71		
	(b) Other current liabilities	15	105,680.52	89,684.74		
	(c) Provisions	14	1,217.58	995.82		
	(d) Current Tax Liability (Net)		323.05	110.34		
	<b>Total Current Liabilities</b>		<b>562,021.74</b>	<b>459,206.60</b>		
	Liabilities classified as held for sale / Liabilities included in disposal group held-for-sale	15	27,578.05	27,450.19		
	<b>Total Liabilities</b>		<b>1,160,396.40</b>	<b>828,489.42</b>		
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,443,875.92</b>	<b>1,057,535.48</b>		

The Notes on Account form integral part of the Financial Statements

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As per our Report of even date

**For MUKUND M CHITALE & CO.**  
Chartered Accountants  
Firm Regn. No. 106655W

**For MSG & ASSOCIATES.**  
Chartered Accountants  
Firm Regn. No. 010254C

**For & on behalf of the Board**

**(Dilip Suryavanshi)**  
Managing Director  
DIN: 00039944

**(Devendra Jain)**  
CEO and Whole-time Director  
DIN: 02374610

**(S. M. Chitale)**  
Partner  
M.No. 111383

**(Geeta Rajani)**  
Partner  
M.No. 076889

**(Satish Chandra Pandey)**  
Director  
DIN: 07072768

**(Radhey Shyam Garg)**  
Chief Financial Officer

**(Abhishek Shrivastava)**  
Company Secretary

Place: Bhopal  
Dated : 10.05.2019

Place: Bhopal  
Dated : 10.05.2019

Place: Bhopal  
Dated : 10.05.2019

# Consolidated Statement of Profit and Loss for the year ended 31 March 2019

(Rs. In Lakhs)

	Particulars	Notes	For the year ended 31st March, 2019	For the year ended 31st March, 2018
I	Revenue from Operations	17	941,584.30	793,747.92
II	Other income	18	4,731.17	1,720.55
III	<b>Total Income (I+II)</b>		<b>946,315.47</b>	<b>795,468.47</b>
IV	Expenses			
	Cost of construction	19	723,261.60	598,508.91
	Changes in inventories	20	(3,258.08)	11,536.03
	Employee benefits expense	21	17,876.79	15,453.28
	Finance cost	22	87,186.13	58,970.48
	Depreciation and amortization expense	2	36,219.50	29,196.38
	Other expenses	23	27,206.16	21,060.57
	<b>Total expenses (IV)</b>		<b>888,492.10</b>	<b>734,725.65</b>
V	Profit before exceptional items and tax (III-IV)		57,823.37	60,742.83
VI	Exceptional items	43	(157.60)	2,379.25
VII	<b>Profit before tax (V) + (VI)</b>		<b>57,665.77</b>	<b>63,122.08</b>
VIII	Tax expenses			
	(1) Current tax		12,974.60	1,277.32
	(2) Deferred tax charge / (credit)	16	(9,679.16)	4,842.15
IX	<b>Profit for the year from continuing operations (VII - VIII)</b>		<b>54,370.33</b>	<b>57,002.61</b>
X	Share of Profit / (Loss) of Associates		374.31	761.77
XI	<b>Profit for the year (IX+X)</b>		<b>54,744.64</b>	<b>57,764.38</b>
XII	<b>Other Comprehensive Income</b>			
	A (i) Items that will not be reclassified to profit or loss	24	(80.82)	50.23
	(ii) Income tax relating to items that will not be reclassified to profit or loss	24	(28.24)	(17.38)
	B (i) Items that will be reclassified to profit or loss			-
	(ii) Income tax relating to items that will be reclassified to profit or loss			-
XIII	<b>Total Comprehensive Income for the year (XI + XII)</b>		<b>54,635.58</b>	<b>57,797.23</b>
XIV	<b>Earnings per equity share (for continuing operations)</b>			
	(1) Basic		40.03	42.23
	(2) Diluted		40.03	42.23

The Notes on Account form integral part of the Financial Statements

1 to 48

As per our Report of even date

**For MUKUND M CHITALE & CO.**  
Chartered Accountants  
Firm Regn. No. 106655W

**For MSG & ASSOCIATES.**  
Chartered Accountants  
Firm Regn. No. 010254C

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**(Dilip Suryavanshi)**  
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Partner  
M.No. 111383

**(Geeta Rajani)**  
Partner  
M.No. 076889

**(Satish Chandra Pandey)**  
Director  
DIN: 07072768

**(Radhey Shyam Garg)**  
Chief Financial Officer

**(Abhishek Shrivastava)**  
Company Secretary

Place: Bhopal  
Dated : 10.05.2019

Place: Bhopal  
Dated : 10.05.2019

Place: Bhopal  
Dated : 10.05.2019

## Consolidated Cash Flow Statement for the year ended 31 March 2019

(Rs. In Lakhs)		
Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before Tax as per Statement of Profit and Loss</b>	<b>57,665.77</b>	<b>63,122.08</b>
Adjustments for:		
Depreciation	36,219.50	29,196.38
Interest income	(1,935.91)	(1,339.08)
(Profit)/Loss on Sale of Fixed Assets	(11.36)	(17.34)
Interest Expense	87,186.13	58,970.48
Provision for Doubtful Debts	11,000.00	4,200.00
Remeasurements gains /( losses) on post-employment benefits	(80.82)	50.23
Profit on sale of Investment	157.60	(2,379.25)
Creditors w/back	-	(1,310.67)
<b>Operating Profit Before Working Capital changes</b>	<b>190,200.92</b>	<b>150,492.83</b>
Working Capital Changes:		
(Increase)/Decrease in Current and Non- Current Assets	(155,646.73)	(104,129.34)
Increase/(Decrease) in Current and Non Current Liabilities	114,686.15	94,989.62
Increase/(Decrease) in Provisions	5,268.53	3,898.52
<b>Cash generated from operations</b>	<b>154,508.87</b>	<b>145,251.63</b>
Income tax paid	(13,204.09)	(15,320.03)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES (TOTAL A)</b>	<b>141,304.78</b>	<b>129,931.60</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(542,241.60)	(173,325.38)
Sale of Fixed Assets / Adjustment	296,015.48	20,179.80
Interest Received	1,935.91	1,339.08
Purchase of Investments	(6,915.96)	-
<b>NET CASH USED IN INVESTING ACTIVITIES (TOTAL B)</b>	<b>(251,206.17)</b>	<b>(151,806.49)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Long Term Borrowings	188,162.77	66,658.08
Proceeds from Short Term Borrowings	33,227.73	28,985.34
Interest paid	(87,186.13)	(58,970.48)
Dividend Paid	(1,648.83)	(1,646.13)
<b>NET CASH USED IN FINANCING ACTIVITIES: (TOTAL C)</b>	<b>132,555.54</b>	<b>35,026.81</b>
<b>Net Increase/(Decrease) of Cash &amp; Cash Equivalents ( A+B+C)</b>	<b>22,654.15</b>	<b>13,151.92</b>
<b>Add: Cash &amp; Cash Equivalents at the beginning of the year</b>	<b>29,455.19</b>	<b>16,303.27</b>
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>52,109.34</b>	<b>29,455.19</b>

## Consolidated Cash Flow Statement for the year ended 31 March 2019

### Closing Cash and Cash Equivalents

Cash in Hand	337.51	644.63
Bank Balance with Scheduled Banks		
in Current Account	21,064.82	6,958.32
in Fixed Deposit Account	30,707.01	21,852.24
	<b>52,109.34</b>	<b>29,455.19</b>

The Notes on Account form integral part of the Financial Statements

1 to 48

As per our Report of even date

**For MUKUND M CHITALE & CO.**  
Chartered Accountants  
Firm Regn. No. 106655W

**For MSG & ASSOCIATES.**  
Chartered Accountants  
Firm Regn. No. 010254C

**For & on behalf of the Board**

**(Dilip Suryavanshi)**  
Managing Director  
DIN: 00039944

**(Devendra Jain)**  
CEO and Whole-time Director  
DIN: 02374610

**(S. M. Chitale)**  
Partner  
M.No. 111383

**(Geeta Rajani)**  
Partner  
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**(Satish Chandra Pandey)**  
Director  
DIN: 07072768

**(Radhey Shyam Garg)**  
Chief Financial Officer

**(Abhishek Shrivastava)**  
Company Secretary

Place: Bhopal  
Dated : 10.05.2019

Place: Bhopal  
Dated : 10.05.2019

Place: Bhopal  
Dated : 10.05.2019

## Consolidated Statement of changes in equity for the year ended 31 March 2019

### A. Equity share capital

(Rs. In Lakhs)

Particulars	Amount
<b>Balance as on 31 March 2017</b>	<b>13,676.98</b>
Changes in equity share capital during the year 2017-18	-
<b>Balance as on 31 March 2018</b>	<b>13,676.98</b>
Changes in equity share capital during the year 2018-19	-
<b>Balance as on 31 March 2019</b>	<b>13,676.98</b>

### B. Other equity

(Rs. In Lakhs)

Particulars	Reserves and Surplus		Debenture Redemption Reserve	Total
	Securities Premium	Retained Earnings		
<b>Balance as on 31 March 2017</b>	<b>42,293.54</b>	<b>115,927.60</b>	-	<b>158,221.14</b>
Profit for the year	-	57,764.38		57,764.38
Other comprehensive income (net of tax)	-	32.85		32.85
Dividends	-	(1,367.70)		(1,367.70)
Tax on dividend	-	(278.43)		(278.43)
Others	-	(438.60)		(438.60)
Debenture Redemption Reserve		(15,000.00)	15,000.00	-
<b>Balance as on 31 March 2018</b>	<b>42,293.54</b>	<b>156,640.10</b>	<b>15,000.00</b>	<b>213,933.65</b>
Profit for the year	-	54,744.64		54,744.64
Other comprehensive income (net of tax)	-	(109.06)		(109.06)
Dividends	-	(1,367.70)		(1,367.70)
Tax on dividend	-	(281.13)		(281.13)
Others	-	(0.10)		(0.10)
<b>Balance as on 31 March 2019</b>	<b>42,293.54</b>	<b>209,626.75</b>	<b>15,000.00</b>	<b>266,920.29</b>

The Notes on Account form integral part of the Financial Statements

1 to 48

As per our Report of even date

**For MUKUND M CHITALE & CO.**  
Chartered Accountants  
Firm Regn. No. 106655W

**For MSG & ASSOCIATES.**  
Chartered Accountants  
Firm Regn. No. 010254C

**For & on behalf of the Board**

**(Dilip Suryavanshi)**  
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Place: Bhopal  
Dated : 10.05.2019

Place: Bhopal  
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Place: Bhopal  
Dated : 10.05.2019

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

## 1: Company Overview and Significant Accounting Policies

### 1.1 Company Overview

Dilip Buildcon Limited (the 'company') is domiciled in India with its registered office at Bhopal, Madhya Pradesh, India. The Company has been incorporated under the provisions of the Companies Act, 1956.

The Company's equity shares are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) with effect from 11 August 2016.

The company is presently in the business of development of infrastructure facilities on Engineering Procurement and Construction basis (EPC) and undertakes contract from various Government and other parties and special purpose vehicles promoted by the Company.

### 1.2 Basis of Preparation of financial statements

The Company's financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs under sections 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules 2016.

The financial statements of the Company for the year ended 31st March 2019 were approved for issue in accordance with the resolution of the Board of Directors on 10th May 2019.

### 1.3 Basis of accounting

The Company maintains its accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair values in accordance with Ind AS. Further, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable except to the extent where compliance with other statutory promulgations override the same requiring a different treatment.

### 1.4 Presentation of Financial Statements

The Balance Sheet, Statement of Profit and Loss and Statement of Changes in equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 1.5 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

This note provides an overview of the areas that involved a higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in the relevant note.

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

## A. Judgements in applying accounting policies

The judgements, apart from those involving estimations (see note below) that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of assets. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement.

## B. Key source of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### a) Property, Plant and Equipment

Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized separately. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

### b) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined based on the prevailing market yields of Indian Government Securities as at the Balance Sheet Date for the estimated term of the obligations

### c) Recognition of deferred tax assets

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

### d) Recognition and measurement of other provision

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

### e) Discounting of long-term financial instrument

All financial instruments are required to be measured at fair value on initial recognition. In case of financial instruments which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest method.

## 1.6 Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries. The assets, liabilities, income and expenses of subsidiaries are aggregated and consolidated, line by line, from the date control is acquired

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

by any Group entity to the date it ceases. Profit or loss and each component of other comprehensive income are attributed to the Group as owners and to the non-controlling interests.

The Group presents the non-controlling interests in the Balance Sheet within equity, separately from the equity of the Group as owners. The excess of the Group's investment in a subsidiary over its share in the net worth of such subsidiary on the date control is acquired is treated as goodwill while a deficit is considered as a capital reserve in the Consolidated Financial Statements. On disposal of the subsidiary, attributable amount on goodwill is included in the determination of the profit or loss and recognised in the Statement of Profit and Loss. Impairment loss, if any, to the extent the carrying amount exceeds the recoverable amount is charged off to the Statement of Profit and Loss as it arises and is not reversed. For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) or a group of CGUs to which it relates, which is not larger than an operating segment, and is monitored for internal management purposes

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.

## 1.7 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

## 1.8 Property, plant and equipment

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

## 1.9 Intangible Assets

### (a) Other Intangible Assets

Intangible assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition at cost comprising the purchase price and directly attributable costs to prepare the assets for its intended use.

Intangible assets that have finite lives are amortised over their useful lives by the straight line method.

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

## (b) Service concession arrangements (Toll Rights)

The Company recognises an intangible asset arising from a service concession arrangement to the extent the company has right to charge for the use of concession infrastructure. Intangible asset would be initially measured at cost. The fair value, at the time of initial recognition of such an intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement, is regarded to be its cost. Borrowing costs directly attributable to the construction of a qualifying asset are capitalised as part of the cost. Subsequent to initial recognition the intangible asset is measured at cost less accumulated amortisation and accumulated impairment losses.

### **Subsequent costs**

Subsequent costs are capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

### **Amortisation**

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful life of an intangible asset in a service concession arrangement is a period from when the company has right to charge the user of infrastructure for such use to the end of the concession period.

## **1.10 Investments in associates, joint ventures and subsidiaries**

The Company has accounted for its investment in subsidiaries at cost.

The Company has elected to continue with the carrying value of its investment in subsidiaries recognised as at 1st April 2015, measured as per previous GAAP and hence the carrying value is considered to be the deemed cost of such investment.

## **1.11 Inventories**

Construction material, components, stores and spares are valued at lower of cost or net realisable value. Cost is determined on first in first out basis and comprise all cost of purchase, duties, taxes and all other costs incurred in bringing the inventory to their present location and condition.

## **1.12 Impairment of non-financial assets**

The Company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's net selling price or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in the statement of profit and loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

## 1.13 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### Financial Assets

#### Initial Recognition

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets that are not at fair value through profit or loss are added to the fair value on initial recognition.

#### Subsequent measurement

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Derecognition

The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

#### Impairment of financial asset

For impairment of financial assets, Company applies expected credit loss (ECL) model. Following financial assets and credit risk exposure are covered within the ECL model:

- a. Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balance
- b. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables including receivables recognised under service concession arrangements.

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, then the impairment loss is provided based on lifetime ECL.

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

## Financial liabilities

### Initial recognition

The company initially recognises borrowings, trade payables and related financial liabilities on the date on which they are originated.

All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the company becomes a party to the contractual provisions of the instrument.

Non-derivative financial liabilities are initially recognised at fair value, net of transaction costs incurred.

### Subsequent measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments

### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## 1.14 Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease

## 1.15 Provisions and Contingencies

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events, it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Contingent liabilities are not provided for and are disclosed by way of notes.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost in the statement of profit and loss

## 1.16 Revenue recognition

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably.

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

If the outcome of a construction contract can be estimated reliably, contract revenue is recognised in profit or loss in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to surveys of work performed. Otherwise, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

Revenue related to construction or upgrade services provided under a service concession arrangement is recognised based on the stage of completion of the work performed. Operation or service revenue is recognised in the period in which the services are provided by the company

Income from toll is recognised on receipt basis.

Interest income is recognised in the Statement of Profit and Loss using the effective interest method.

Other income comprises of interest income, dividend income, foreign currency gain on financial assets and liabilities and export benefits.

### 1.17 Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the company will obtain ownership by the end of the lease term. Freehold land is not depreciated.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

### 1.18 Borrowing Cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

### 1.19 Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing the net profit or loss attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period present

### 1.20 Cash Flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

## 1.21 Employee Benefits

### Short Term Employment benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### Post Employment Employee Benefits

Retirement benefits to employees comprise payments to government provident funds, gratuity fund and Employees State Insurance.

### Defined Contribution Plans

The Company's contribution to defined contributions plans such as Provident Fund, Employee State Insurance are recognised in the Statement of Profit and Loss in the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective Funds

### Defined Benefit Plans

Gratuity liability is defined benefit obligation. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary, using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income.

Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs. Actuarial gains/losses are recognized in the other comprehensive income.

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

## 1.22 Income Taxes

### Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum alternative tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay income tax higher than that computed under MAT, during the year that MAT is permitted to be set off under the Income Tax Act, 1961 (specified year). In the year, in which the MAT credit becomes eligible to be recognized as an asset the said asset is created by way of a credit to the Statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay income tax higher than MAT during the specified year.

### Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year.

## 1.23 Assets Held for Sale

Non-current assets are classified as held for sale when their carrying amount will be recovered principally through a sale transaction rather than continuing use and a sale is highly probable.

Assets designated as held for sale are held at the lower of carrying amount at designation and fair value less costs to sell.

## 1.24 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

For cash and other liquid assets, the fair value is assumed to approximate to book value, given the short term nature of these instruments. For those items with a stated maturity exceeding twelve months, fair value is calculated using a discounted cash flow methodology.

A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### 1.25 Recent accounting developments

The Ministry of Corporate Affairs (MCA) vide the Companies (Indian Accounting Standards) Amendment Rules, 2019 has notified Ind AS 116 and amendments to Ind ASs:

#### **Ind AS 116, Leases:**

Ind AS 116 was notified on March 30, 2019 and is applicable to the Company from financial year beginning April 1, 2019. Ind AS 116 has introduced a single lease accounting model which requires a lessee to recognize a right-of-use asset and a lease liability by assessing whether a contract is, or contains a lease at the inception of the contract. The standard specifies the manner in which an initial lease liability will be measured and the cost of the right-of-use asset will be recognized. The standard also provides certain exemptions from recognition; based on the term of lease contracts and the underlying asset values. Lessor accounting requirements are substantially in-line with Ind AS 17. Ind AS 116 permits two methods of transition: i) full retrospective method: retrospective application to each prior reporting period applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors or, ii) modified retrospective method: retrospective application with cumulative effect of initially applying Ind AS 116 recognized at the date of initial application (i.e. April 1, 2019). Certain practical expedients are available under both the methods. The standard also contains additional disclosures requirements as defined in Ind AS 116. The Company will adopt the new standard effective April 1, 2019 using the modified retrospective method and is in the process of evaluating its lease arrangements as required by Ind AS 116.

#### **Appendix C to Ind AS 12 Uncertainty over Income Tax Treatments**

On March 30, 2019, The Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

This amendment will come into force from April 1, 2019. The Company is evaluating the requirements of the amendment and the effect on the standalone financial statements.

### Amendment to Ind AS 19 – Employee benefits

On March 30, 2019, The Ministry of Corporate Affairs has notified amendments to Ind AS 19 in connection with accounting for plan amendment, curtailment and settlement. The Amendment requires the Company to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment and settlement and to recognize in profit or loss as part of the past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

The amendment will come into force from April 1, 2019. The Company does not have any impact on account of this amendment.

### Note 2.1: Property, Plant and Equipment

(Rs. In Lakhs)

Sr. No.	Description of Assets	GROSS BLOCK				DEPRECIATION			WRITTEN DOWN VALUE		
		As at 01/04/2018	Additions	Deductions	As at 31/03/2019	As at 01/04/2018	For the year	Deductions	As at 31/03/2019	As at 31/03/2019	As at 31/03/2018
A	Tangible*										
1	Land	8,430.29	2,414.66		10,844.94				-	10,844.94	8,430.29
2	Building	538.59			538.59	15.76	15.76		31.52	507.08	522.83
3	Residential Flat	16.59			16.59	1.17	0.28	-	1.45	15.14	15.42
4	Computer & Printer	1,312.08	419.36		1,731.44	904.12	255.87	-	1,159.99	571.45	407.96
5	Plant & Machinery	269,034.27	46,716.27	246.59	315,503.94	98,208.42	30,699.93	159.12	128,749.23	186,754.71	170,825.85
6	Office Equipments	1,366.53	3,265.53	-	4,632.06	760.79	341.21	-	1,102.00	3,530.06	605.74
7	Vehicles	3,975.16	330.13	71.69	4,233.60	1,264.16	490.03	50.32	1,703.87	2,529.73	2,711.00
8	Furniture & Fixtures	488.05	755.00		1,243.05	202.12	72.96	-	275.08	967.97	285.92
9	Vessel	449.50			449.50	16.77	17.63	-	34.40	415.10	432.73
10	Electrical Equipment	6.61	-	-	6.61	3.24	0.12		3.36	3.25	3.37
	Total	285,617.67	53,900.94	318.28	339,200.33	101,376.56	31,893.77	209.44	133,060.89	206,139.44	184,241.11
	Previous Year	242,149.69	45,692.39	2,224.42	285,617.67	74,210.98	27,392.37	226.80	101,376.56	184,241.11	

\* Refer Note No.11 for details of Property, Plant & Equipment that have been pledged as a security/mortgaged with various Banks / Financial institutions against loans taken

### Note 2.2: Capital Work in progress

(Rs. In Lakhs)

Sr. No.	Particulars	GROSS BLOCK				DEPRECIATION				WRITTEN DOWN VALUE	
		As at	Additions	Deductions	As at	As at	For the year	Deductions	As at	As at	As at
		01/04/2018			31/03/2019	01/04/2018			31/03/2019	31/03/2019	31/03/2018
1	Capital WIP	84,828.39	394,638.13	205,883.44	273,583.08	-	-	-	-	273,583.08	84,828.39
	<b>Total</b>	<b>84,828.39</b>	<b>394,638.13</b>	<b>205,883.44</b>	<b>273,583.08</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>273,583.08</b>	<b>84,828.39</b>
	Previous Year	10,611.22	84,828.38	10,611.21	84,828.39	-	-	-	-	84,828.39	

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

## Note 2.3: Other Intangible Assets

(Rs. In Lakhs)

Sr. No.	Description of Assets	GROSS BLOCK				DEPRECIATION			WRITTEN DOWN VALUE		
		As at 01/04/2018	Additions	Deductions	As at 31/03/2019	As at 01/04/2018	For the year	Deductions	As at 31/03/2019	As at 31/03/2019	As at 31/03/2018
1	Computer Software	720.75	3,256.73		3,977.48	428.33	141.76		570.09	3,407.39	292.42
2	Toll Rights	24,025.04	83,954.24	6,106.73	101,872.55	4,142.60	4,183.98		8,326.58	93,545.97	19,882.44
	<b>Total</b>	<b>24,745.79</b>	<b>87,210.97</b>	<b>6,106.73</b>	<b>105,850.02</b>	<b>4,570.93</b>	<b>4,325.73</b>	<b>-</b>	<b>8,896.67</b>	<b>96,953.36</b>	<b>20,174.85</b>
	Previous Year	33,868.24	789.07	9,911.52	24,745.79	5,129.27	1,804.00	2,357.88	4,570.93	20,174.85	

## Note 2.4: Intangible Assets under development

(Rs. In Lakhs)

Sr. No.	Particulars	GROSS BLOCK				DEPRECIATION				WRITTEN DOWN VALUE	
		As at 01/04/2018	Additions	Deductions	As at 31/03/2019	As at 01/04/2018	For the year	Deductions	As at 31/03/2019	As at 31/03/2019	As at 31/03/2018
1	Assets under development	77,436.27	6,491.56	83,927.83	-	-			-	-	77,436.27
	<b>Total</b>	<b>77,436.27</b>	<b>6,491.56</b>	<b>83,927.83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>77,436.27</b>
	Previous Year	35,420.72	42,015.54	-	77,436.27	-	-	-	-	77,436.27	

## Note 3: Investment

(Rs. In Lakhs)

Sr. No.	Particulars	31 March 2019	31 March 2018
	<b>Non-Current</b>		
	<b>Un-quoted</b>		
<b>(A)</b>	<b>Equity shares of Associate company at equity method</b>		
(i)	74,50,300 equity shares of DBL Nadiad Modasa Tollways Limited of Rs. 10/- each	1,298.19	-
		<b>1,298.19</b>	<b>-</b>
<b>(B)</b>	<b>Equity shares of Other company</b>		
(i)	5,00,000 equity shares of Aarneel Technocrafts Pvt Ltd of Rs. 10/- each	50.00	-
		<b>50.00</b>	<b>-</b>
	<b>Total</b>	<b>1,348.19</b>	<b>-</b>
<b>(C)</b>	<b>Non Current Assets Held for Sale</b>		
	<b>Equity shares of Other companies</b>		
(i)	24,00,000 equity shares of DBL Bankhlafata Dongawa Tollways Limited of Rs. 10/- each (P.Y. 48,00,100 equity shares of Rs. 10/- each)	240.00	539.16
(ii)	30,00,000 equity shares of DBL Jaora Sailana Tollways Limited of Rs. 10/- each (P.Y. 60,00,100 equity shares of Rs. 10/- each)	300.00	741.03
(iii)	1,50,000 equity shares of DBL Mundi Sanawad Tollways Limited of Rs. 10/- each (P.Y. 3,00,100 equity shares of Rs. 10/- each)	315.71	575.24
(iv)	37,500 equity shares of DBL Sardarpur Badnawar Tollways Limited of Rs. 10/- each (P.Y. 75,100 equity shares of Rs. 10/- each)	150.06	328.12
(v)	1,50,000 equity shares of DBL Silwani Sultanganj Tollways Limited of Rs. 10/- each (P.Y. 3,00,100 equity shares of Rs. 10/- each)	315.71	879.64
(vi)	11,62,500 equity shares of DBL Sitamau Suwasara Tollways Limited of Rs. 10/- each (P.Y. 23,25,100 equity shares of Rs. 10/- each)	116.26	283.78

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Sr. No.	Particulars	31 March 2019	31 March 2018
(vii)	59,88,100 equity shares of DBL Ashoknagar Vidisha Tollways Limited of Rs. 10/- each (P.Y. 59,88,100 equity shares of Rs. 10/- each)	597.64	651.70
(viii)	48,00,000 equity shares of DBL Uchera Nagod Tollways Limited of Rs. 10/- each (P.Y. 96,00,100 equity shares of Rs. 10/- each)	480.01	1,072.69
(ix)	Nil equity shares of DBL Nadiad Modasa Tollways Limited of Rs. 10/- each (P.Y. 85,96,600 equity shares of Rs. 10/- each)	-	239.43
		2,515.37	5,310.79
	Less: Adjustment arising out of consolidation	1,345.48	600.44
		1,169.89	4,710.35
	<b>Total Non-Current (A+B+C)</b>	<b>2,518.08</b>	<b>4,710.35</b>
	<b>Current</b>		
(A)	<b>Quoted</b>		
	<b>Investment in Mutual Funds carried at Fair Value through profit or loss</b>		
(i)	49,04,489.24 units of L&T Money Market Fund-Growth Plan	906.51	-
(ii)	1,29,210.51 units of Union Liquid Fund Growth-Direct Plan	2,324.19	-
(iii)	1,00,000.00 units of Union Overnight Fund Growth-Direct Plan	1,000.86	-
(iv)	63,61,886.21 units of Short Term Bond Fund Regular Plan- Growth Plan	1,178.61	-
	<b>Total Current</b>	<b>5,410.17</b>	<b>-</b>
	<b>Total</b>	<b>7,928.25</b>	<b>4,710.35</b>
	<b>Aggregate amount of Quoted Investments</b>	<b>5,410.17</b>	<b>-</b>
	<b>Aggregate amount of Unquoted Investments</b>	<b>2,518.08</b>	<b>4,710.35</b>
	<b>Market Value of Quoted Investments</b>	<b>5,410.17</b>	<b>-</b>

### Note 4: Trade Receivables

(Rs. In Lakhs)

Sr. No.	Particulars	31 March 2019	31 March 2018
	<b>Non Current</b>		
(i)	Trade Receivables considered good - Secured	-	-
(ii)	Trade Receivables considered good - Unsecured	78,920.88	81,231.32
(iii)	Trade Receivables which have significant risk in Credit Risk	-	-
(iv)	Trade Receivables - credit impaired	-	-
	<b>Total Non-Current</b>	<b>78,920.88</b>	<b>81,231.32</b>
	<b>Current</b>		
(a)	<b>Trade Receivables - Related Parties</b>		
(i)	Trade Receivables considered good - Secured	-	-
(ii)	Trade Receivables considered good - Unsecured	9,822.20	25,752.66
(iii)	Trade Receivables which have significant risk in Credit Risk	-	-
(iv)	Trade Receivables - credit impaired	-	-
		9,822.20	25,752.66

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Sr. No.	Particulars	31 March 2019	31 March 2018
<b>(b)</b>	<b>Trade Receivables - Others</b>		
	(i) Trade Receivables considered good - Secured	-	-
	(ii) Trade Receivables considered good - Unsecured	106,368.73	89,708.43
	(iii) Trade Receivables which have significant risk in Credit Risk	-	-
	(iv) Trade Receivables - credit impaired	24,250.00	13,250.00
		130,618.73	102,958.43
		140,440.93	128,711.09
	Less: Allowance for bad and doubtful debts	24,250.00	13,250.00
	<b>Total Current</b>	<b>116,190.93</b>	<b>115,461.09</b>
	<b>Total</b>	<b>195,111.81</b>	<b>196,692.41</b>

**4.1** There are no trade receivables due from any director or any officer of the company, either severally or jointly with any other person, or from any firms or private companies in which any director is a partner, a director or a member.

### 4.2 Movement in the expected credit loss allowance:

(Rs. In Lakhs)

Particulars	31 March 2019	31 March 2018
Balance at the beginning of the year	13,250.00	9,050.00
Add: Provision made during the year (Note 23)	11,000.00	4,200.00
<b>Balance at the end of the year</b>	<b>24,250.00</b>	<b>13,250.00</b>

### Note 5: Inventories

(Rs. In Lakhs)

Sr. No.	Particulars	31 March 2019	31 March 2018
(i)	Inventory	233,502.06	188,940.22
(ii)	Work In Progress	16,941.26	13,683.18
	<b>Total</b>	<b>250,443.32</b>	<b>202,623.40</b>

### Note 6: Cash And Cash Equivalents

(Rs. In Lakhs)

Sr. No.	Particulars	31 March 2019	31 March 2018
(i)	Cash in hand	337.51	644.63
(ii)	Balance with Banks	21,064.82	6,958.32
(iii)	Fixed deposit accounts*	38,576.18	28,400.97
		<b>59,978.51</b>	<b>36,003.91</b>
	Less: Fixed Deposits having maturity more than a year shown under Other Financial Assets (Note 7)	7,869.17	6,548.73
	<b>Total</b>	<b>52,109.34</b>	<b>29,455.19</b>

**6.1** \* Includes Fixed Deposits of Rs. 21,379.82/- lakhs (P.Y. Rs. 15,294.49/- lakhs) which have been kept as margin money for Bank Guarantee/Letter of Credit availed from bank and Rs. 1,395.79/- lakhs (P.Y. Rs. 953.13/- lakhs) which have been kept as Collateral Security for various facilities availed from the bank.

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

### Note 7: Other Financial Assets

		(Rs. In Lakhs)	
Sr. No.	Particulars	31 March 2019	31 March 2018
	<b>Non-Current</b>		
	<b>Unsecured, considered good</b>		
(i)	Security deposits*	21,298.87	23,270.29
(ii)	Bank Deposits with more than 12 Months maturity (Note 6)	7,869.17	6,548.73
	<b>Total Non-current</b>	<b>29,168.04</b>	<b>29,819.02</b>
	<b>Current</b>		
(i)	Advance Recoverable in cash or kind	44,709.50	23,272.61
	<b>Total current</b>	<b>44,709.50</b>	<b>23,272.61</b>
	<b>Total</b>	<b>73,877.54</b>	<b>53,091.63</b>
* Includes Rs. 6,676.14/- lakhs (P.Y. Rs. 3,940.63/- lakhs) receivable from related parties			

### Note 8: Loans

		(Rs. In Lakhs)	
Sr. No.	Particulars	31 March 2019	31 March 2018
	<b>Current</b>		
(a)	<b>Loans to Related Parties</b>		
(i)	Loans Receivables considered good - Secured	-	-
(ii)	Loans Receivables considered good - Unsecured	1,104.03	3,830.05
(iii)	Loans Receivables which have significant risk in Credit Risk	-	-
(iv)	Loans Receivables - credit impaired	-	-
		1,104.03	3,830.05
(b)	<b>Loans to Others</b>		
(i)	Loans Receivables considered good - Secured	-	-
(ii)	Loans Receivables considered good - Unsecured	2,897.25	3,330.95
(iii)	Loans Receivables which have significant risk in Credit Risk	-	-
(iv)	Loans Receivables - credit impaired	-	-
		2,897.25	3,330.95
	<b>Total</b>	<b>4,001.28</b>	<b>7,161.00</b>

8.1 The company has given interest free loan to its related parties and interest bearing loan to 'Others'

8.2 The loans are given for expansion and general purpose of the business.

8.3 The loan given is repayable by the related and non-related parties 'on demand'.

### Note 9: Other Assets

		(Rs. In Lakhs)	
Sr. No.	Particulars	31 March 2019	31 March 2018
	<b>Non-current</b>		
	<b>Unsecured, considered good</b>		
(i)	Capital advances	10,597.24	6,598.53
(ii)	Advances other than capital advances		
(a)	Other Advances*	2,747.91	2,667.17
(b)	Retention Money, Withheld Money, Security & Other Deposits#	89,981.66	46,930.06
	Less: Current portion	74,221.23	41,183.15
		<b>15,760.43</b>	<b>5,746.91</b>

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

(c)	Perfromance security deposit	1,073.56	1,073.56
	Less: Current portion	-	-
		<b>1,073.56</b>	<b>1,073.56</b>
(iii)	MAT Credit Entitlement	46,185.71	41,493.28
	<b>Total Non-current</b>	<b>76,364.86</b>	<b>57,579.45</b>
	<b>Current</b>		
(i)	Retention Money, Withheld Money, Security & Other Deposits	72,019.44	47,514.69
(ii)	Perfromance security deposit	91.69	-
(iii)	Advance to Suppliers/Creditors	63,047.33	45,697.92
(iv)	Other Advances	693.88	-
(v)	Deposit with Govt Authorities	64,573.50	40,589.22
(vi)	Staff Advance	1,096.99	552.84
(vii)	Prepaid Expenses	2,596.15	3,076.99
	<b>Total Current</b>	<b>204,118.98</b>	<b>137,431.66</b>
	<b>Total</b>	<b>280,483.85</b>	<b>195,011.11</b>

\* Includes Rs. 1,040.51/- lakhs (P.Y. Rs. 509.32/- lakhs) receivable from related parties.

# Includes Rs. 8,793.05/- lakhs (P.Y. Rs. 2,522.16/- lakhs) receivable from related parties.

### Note 10 (a): Equity Share Capital

	(Rs. In Lakhs)	
Particulars	31 March 2019	31 March 2018
<b>Authorised shares</b>		
16,00,00,000 Equity Shares of Rs.10 each (P.Y. 16,00,00,000 Equity Shares of Rs.10/- each)	16,000.00	16,000.00
	<b>16,000.00</b>	<b>16,000.00</b>
<b>Issued, subscribed and fully paid-up shares</b>		
13,67,69,768 Equity Shares of Rs.10 each (P.Y. 13,67,69,768 Equity Shares of Rs.10/- each)	13,676.98	13,676.98
<b>Total</b>	<b>13,676.98</b>	<b>13,676.98</b>

#### A) Terms/rights attached to equity shares

- The Company has one class of shares referred to as Equity Shares having face values of Rs. 10/- each.
- Out of issued, subscribed and paid up Equity Shares 7,04,76,264 Equity Shares were allotted as Bonus Shares by capitalization of Security Premium and Surplus during last five years

#### B) Reconciliation of the no. of shares and amounts outstanding at the beginning and at the end of the reporting period:

(Rs. In Lakhs)

Particulars	31 March 2019		31 March 2018	
	Numbers	Amt.	Numbers	Amt.
At the beginning of the period	136,769,768	13,676.98	136,769,768	13,676.98
Fresh Issue	-	-	-	-
Outstanding at the end of the period	136,769,768	13,676.98	136,769,768	13,676.98

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

### C) Details of shareholders holding more than 5% shares in the Company

Particulars	31 March 2019		31 March 2018	
	Numbers	% of holding	Numbers	% of holding
<b>Equity shares of Rs. 10 each fully paid</b>				
Mr. Dilip Suryavanshi	55,673,487	40.71%	55,673,487	40.71%
Mrs. Seema Suryavanshi	11,904,200	8.70%	11,904,200	8.70%
Mr. Devendra Jain	35,863,572	26.22%	35,863,572	26.22%

### Note 10 (b): Other Equity

#### i. Securities Premium

(Rs. In Lakhs)

Particulars	31 March 2019	31 March 2018
Balance at the beginning of the year	42,293.54	42,293.54
Add: Fresh Issue during the year	-	-
<b>Balance at the end of the year</b>	<b>42,293.54</b>	<b>42,293.54</b>

#### ii. Retained Earnings

Particulars	31 March 2019	31 March 2018
<b>Balance at the beginning of the year</b>	<b>156,640.09</b>	<b>115,927.60</b>
- Profit for the year	54,744.64	57,764.37
- Other comprehensive income (net of tax)	(109.06)	32.85
- Dividend and tax on same	(1,648.83)	(1,646.13)
- Other Change	-0.09	(438.60)
- Transferred to Debenture Redemption Reserve (Refer Note 45)	-	(15,000.00)
<b>Balance at the end of the year</b>	<b>209,626.75</b>	<b>156,640.09</b>

#### iii. Debenture Redemption Reserve

Particulars	31 March 2019	31 March 2018
Balance at the beginning of the year	15,000.00	-
- Transferred from Retained Earnings	-	15,000.00
<b>Balance at the end of the year</b>	<b>15,000.00</b>	<b>15,000.00</b>
<b>Balance of Other Equity at the end of the year</b>	<b>266,920.29</b>	<b>213,933.64</b>

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

## Note 11: Borrowings

(Rs. In Lakhs)

Sr. No.	Particulars	31 March 2019	31 March 2018
	<b>Non-current</b>		
(i)	<b>Secured</b>		
	<b>Debentures</b>		
	8.90% 6000 Non Convertible Debentures of Rs.10 Lacs each	60,000.00	60,000.00
		<b>60,000.00</b>	<b>60,000.00</b>
	<b>Term loans</b>		
(a)	From Banks	360,068.58	217,753.83
(b)	From financial institutions	100,119.39	37,322.35
		<b>460,187.97</b>	<b>255,076.18</b>
	Less: 'Current maturities of non-current borrowings (Note13)	45,576.94	21,219.70
		<b>414,611.03</b>	<b>233,856.48</b>
(ii)	<b>Unsecured</b>		
	<b>Term loans</b>		
(a)	From Others	7,408.22	-
		<b>7,408.22</b>	<b>-</b>
	<b>Total Non-current borrowings</b>	<b>482,019.25</b>	<b>293,856.48</b>
	<b>Current</b>		
(i)	<b>Secured</b>		
	<b>Loans Payable on Demand</b>		
(a)	From Banks	203,070.55	169,778.45
(ii)	<b>Unsecured</b>		
(a)	From Related Parties	4,277.45	2,942.91
(b)	From Others	5,665.09	7,064.01
	<b>Total Current borrowings</b>	<b>213,013.09</b>	<b>179,785.37</b>
	<b>Total borrowings</b>	<b>695,032.34</b>	<b>473,641.85</b>

**Details of terms of repayment and securities provided in respect of secured term loans are as under:**

### 1) Non-Current borrowings

#### a) Debentures

**- The securities provided is as follows:**

- First exclusive charge on fixed assets of the Company to the extent of 1.25 times of outstanding borrowing through NCDs together with Interest etc.
- Company to lien mark sanctioned bank lines in favour of debenture holders at least 20 days before any scheduled redemption date for the amount equivalent which is due on the redemption date.
- The details of redemption is as follows:

Series- I: 450 NCDs of Rs. 10,00,000 each redeemable on 28-Dec-2019

Series-II: 450 NCDs of Rs. 10,00,000 each redeemable on 28-Mar-2020

Series- III: 450 NCDs of Rs. 10,00,000 each redeemable on 28-Jun-2020

Series -IV: 450 NCDs of Rs.10,00,000 each redeemable on 28-Sep-2020

Series -V: 450 NCDs of Rs.. 10,00,000 each redeemable on 28-Dec-2020

Series -VI: 450 NCDs of Rs. 10,00,000 each redeemable on 28-Mar-2021

Series -VII: 450 NCDs of Rs. 10,00,000 each redeemable on 28-Jun-2021

Series -VIII: 450 NCDs of Rs. 10,00,000 each redeemable on 28-Sep-2021

Series -IX: 450 NCDs of Rs. 10,00,000 each redeemable on 28-Dec-2021

Series -X: 450 NCDs of Rs. 10,00,000 each redeemable on 28-Mar-2022

Series -XI :500 NCDs of Rs. 10,00,000 each redeemable on 28-Jun-2022

Series- XII: 500 NCDs of Rs. 10,00,000 each redeemable on 28-Sep-2022

Series -XIII: 500 NCDs of Rs. 10,00,000 each redeemable on 28-Dec-2022"

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

### b) Term Loan from Banks

- **The securities provided for the Term loan from Banks amounting to Rs. 21,419.06/- lakhs (P.Y. - Rs. 11,760.04/- lakhs) is as follows:**

- Personal guarantee of Mr. Dilip Suryavanshi, the managing director of the company.
- The loans are secured by way of hypothecation of the respective vehicles.

- **The securities provided for the Term loan from Banks amounting to Rs. 8,673.76/- lakhs (P.Y. - Rs. 12,247.64/- lakhs) is as follows:**

- Unconditional and irrevocable Personal guarantee of Mr. Dilip Suryavanshi, the managing director of the company, Mrs. Seema Suryavanshi, the whole time director and Mr. Devendra Jain, the CEO; till the tenancy of loan.
- Exclusive charge by way of hypothecation of the respective vehicles

- **The above loans carry interest rates ranging from 9.00% to 13.50%. The loans are repayable in monthly installments along with interest.**

- **The securities provided for the Term loan from Banks amounting to Rs. 826.95/- lakhs (P.Y. - NIL) is as follows:**

- Unconditional and irrevocable Personal guarantee of Mr. Dilip Suryavanshi, the managing director of the company, Mrs. Seema Suryavanshi, till the tenancy of loan.
- Exclusive charge by way of hypothecation of the respective vehicles

- **The securities provided for the Term loan from Banks amounting to Rs. 2,521.13/- lakhs (P.Y. - NIL) is as follows:**

- Exclusive charge by way of hypothecation of the respective vehicles

- **The securities provided for the Term loan from Banks amounting to Rs. 5860.00/- lakhs (in respect of subsidiary company)**

The holding company has pledged 51% shares with Axis Trustee Services Ltd of the shares held in that subsidiary.

The loan is secured by a first charge on borrower's immovable properties, both present and future, tangible moveable assets (including but not limited to all current/ non- current asstes ) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.

The loan is also secured by personal guarantee of Mr. Dilip Suryavanshi, the managing director of the holding company, Mrs. Seema Suryavanshi, the whole time director of the holding company and Mr. Devendra Jain, whole time director of the company

- **The securities provided for the Term loan from Banks amounting to Rs. 6042.37/- lakhs (in respect of subsidiary company)**

The holding company has pledged 30% shares with Canara Bank & given an undertaking for non disposal of 51% shares during the currency of the loan in addition to pledged shares in pursuant to terms of borrowings availed by the company.

The loan is secured by a first charge on borrower's immovable properties, both present and future, tangible moveable assets (including but not limited to all current/ non- current asstes ) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.

The loan is also secured by personal guarantee of Mr. Dilip Suryavanshi, the managing director of the holding company, Mrs. Seema Suryavanshi, the whole time director of the holding company and Mr. Devendra Jain, whole time director of the company

- **The securities provided for the Term loan from Banks amounting to Rs. 18989.20/- lakhs (in respect of subsidiary company)**

The holding company has pledged 30% shares of the shares held in that subsidiary with Bank of Baroda.

The loan is secured by a first charge on borrower's immovable properties, both present and future, tangible moveable assets (including but not limited to all current/ non- current asstes ) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.

The loan is also secured by personal guarantee of Mr. Dilip Suryavanshi, the managing director of the holding

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

company, Mrs. Seema Suryavanshi, the whole time director of the holding company and Mr. Devendra Jain, whole time director of the company and Corporate Guarantee of Dilip Buildcon Limited.

- **The securities provided for the Term loan from Banks amounting to Rs. 8108.75/- lakhs (in respect of subsidiary company)**

1st Charge by way of Pledge of Equity Shares of the Project Company to the Satisfaction of the Bank.

The loan is secured by a first charge on borrower's immovable properties, both present and future, tangible moveable assets (including but not limited to all current/ non- current asstes ) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.

The loan is also secured by personal guarantee of Mr. Dilip Suryavanshi, the managing director of the holding company, Mrs. Seema Suryavanshi, the whole time director of the holding company and Mr. Devendra Jain, whole time director of the company and Corporate Guarantee of Dilip Buildcon Limited to the Extent of Rs 17.00 Crores

- **The securities provided for the Term loan from Banks amounting to Rs. 7077.44/- lakhs (in respect of subsidiary company)**

Pledge of Equity Shares of the Project Company upto 30% held in that subsidiary.

The loan is secured by a first charge on borrower's immovable properties, both present and future, tangible moveable assets (including but not limited to all current/ non- current asstes ) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.

The loan is also secured by personal guarantee of Mr. Dilip Suryavanshi, the managing director of the holding company, Mrs. Seema Suryavanshi, the whole time director of the holding company and Mr. Devendra Jain, whole time director of the company and Corporate Guarantee of Dilip Buildcon Limited.

- **The securities provided for the Term loan from Banks amounting to Rs. 65311.25/- lakhs (in respect of subsidiary company)**

Pledge of Equity Shares of the Project Company upto 51% of the shares held in that subsidiary

The loan is secured by a first charge on borrower's immovable properties, both present and future, tangible moveable assets (including but not limited to all current/ non- current asstes ) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.

The loan is also secured by Corporate Guarantee of Dilip Buildcon Limited.

- **The securities provided for the Term loan from Banks amounting to Rs. 16943.14/- lakhs (in respect of subsidiary company)**

Pledge of Equity Shares of the Project Company upto 51% of the shares held in that subsidiary.

The loan is secured by a first charge on borrower's immovable properties, both present and future, tangible moveable assets (including but not limited to all current/ non- current asstes ) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.

The loan is also secured by personal guarantee of Mr. Dilip Suryavanshi, the managing director of the holding company, Mrs. Seema Suryavanshi, the whole time director of the holding company and Mr. Devendra Jain, whole time director of the company and Corporate Guarantee of Dilip Buildcon Limited.

- **The securities provided for the Term loan from Banks amounting to Rs. 12552.49/- lakhs (in respect of subsidiary company)**

Pledge of Equity Shares of the Project Company upto 26% of the shares held in that subsidiary

The loan is secured by a first charge on borrower's immovable properties, both present and future, tangible moveable assets (including but not limited to all current/ non- current asstes ) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.

The loan is also secured by personal guarantee of Mr. Dilip Suryavanshi, the managing director of the holding company, and Mr. Devendra Jain, whole time director of the company

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

- **The securities provided for the Term loan from Banks amounting to Rs. 15782.14/- lakhs (in respect of subsidiary company).**

Pledge of Equity Shares of the Project Company upto 30% of the shares held in that subsidiary

The loan is secured by a first charge on borrower's immovable properties, both present and future, tangible moveable assets (including but not limited to all current/ non- current asstes ) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.

The loan is also secured by personal guarantee of Mr. Dilip Suryavanshi, the managing director of the holding company, and Mr. Devendra Jain, whole time director of the company

- **The securities provided for the Term loan from Banks amounting to Rs. 21976.00/- lakhs (in respect of subsidiary company).**

Pledge of Equity Shares of the Project Company upto 30% of the shares held in that subsidiary

The loan is secured by a first charge on borrower's immovable properties, both present and future, tangible moveable assets (including but not limited to all current/ non- current asstes ) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.

The loan is also secured by corporate gurantee of Dilip Buildcon Ltd. And personal guarantee of Mr. Dilip Suryavanshi, the managing director of the company, Mrs. Seema Suryavanshi, the whole time director and Mr. Devendra Jain, CEO of the company

- **The securities provided for the Term loan from Banks amounting to Rs. 100941.5/- lakhs (in respect of subsidiary company)**

Pledge of Equity Shares of the Project Company upto 51% of the shares held in that subsidiary.

The loan is secured by a first charge on borrower's immovable properties, both present and future, tangible moveable assets (including but not limited to all current/ non- current asstes ) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.

The loan is also secured by corporate gurantee of Dilip Buildcon Ltd. And personal guarantee of Mr. Dilip Suryavanshi, the managing director of the company, Mrs. Seema Suryavanshi, the whole time director and Mr. Devendra Jain, CEO of the company

- **The securities provided for the Term loan from Banks amounting to Rs. 20,140.65/- lakhs (in respect of subsidiary company)**

The holding company has pledged 26% shares of the shares held in that subsidiary with PNB Investment Services Limited

The loan is secured by a first charge on borrower's immovable properties, both present and future, tangible moveable assets (including but not limited to all current/ non- current asstes ) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.

The loan is also secured by corporate gurantee of Dilip Buildcon Ltd. And personal guarantee of Mr. Dilip Suryavanshi, the managing director of the company, Mrs. Seema Suryavanshi, the whole time director and Mr. Devendra Jain, CEO of the company

- **The securities provided for the Term loan from Banks amounting to Rs. 25,190.86/- lakhs (in respect of subsidiary company)**

The holding company has pledged 26% shares of the shares held in that subsidiary with Indian Bank

The loan is secured by a first charge on borrower's immovable properties, both present and future, tangible moveable assets (including but not limited to all current/ non- current asstes ) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.

The loan is also secured by corporate gurantee of Dilip Buildcon Ltd. And personal guarantee of Mr. Dilip Suryavanshi, the managing director of the company, Mrs. Seema Suryavanshi, the whole time director and Mr. Devendra Jain, CEO of the company

- **The securities provided for the Term loan for Working Capital from financial institutions amounting to Rs. 59.78/- lakhs (P.Y. - 57.59 lakhs) is as follows:**

- Charge by way of Hypothecation over Plant and Machinery / Construction Equipment

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

- **The securities provided for the Term loan from Bank amounting to Rs. 1,652.15/- lakhs (in respect of subsidiary company)**

The holding company has pledged 51% shares of the shares held in that subsidiary with Axis Trustee Services Limited .

The loan is secured by a first charge on borrower's immovable properties, both present and future, tangible moveable assets (including but not limited to all current/ non- current asstes ) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.

The loan is also secured by corporate gurantee of Dilip Buildcon Ltd. And personal guarantee of Mr. Dilip Suryavanshi, the managing director of the company, Mrs. Seema Suryavanshi, the whole time director and Mr. Devendra Jain, CEO of the company

### c) Loan from financial institutions

- **The securities provided for the Term loan from financial institutions amounting to Rs. 48,549.94/- lakhs (P.Y. - Rs. 56,951.35/- lakhs) is as follows:**

- Personal guarantee of Mr. Dilip Suryavanshi, the managing director of the company.
- The loans are secured by way of hypothecation of the respective vehicles.

- **The securities provided for the Term loan for Working Capital from financial institutions amounting to Rs. 834.95/- lakhs (P.Y. - Rs. 8,499.95) is as follows:**

- Pledge of Equitiy Shares of Dilip Buildcon Limited held by Mr Dilip Suryavanshi, Managing Director of the Company, the market value of which is not less than 2.00 times the outstanding obiligations of the borrower at the point of facility drawndown

6,03,000 shares of Dilip Buildcon Limited held by Mr Dilip Suryavanshi, Managing Director of the company, has been pledged as security

- Personal guarantee of Mr. Dilip Suryavanshi, the managing director of the company and Mr. Devendra Jain, the CEO of the company.
- Irrevocable Power of Attorney in favour of lender to sell/dispose of pledged shares in case of default.

- **The securities provided for the Term loan from financial institutions amounting to Rs. 5,932.50/- lakhs (P.Y. - Rs. 7,514.50) is as follows:**

- Pledge of Equitiy Shares of Dilip Buildcon Limited held by Mr Dilip Suryavanshi, Managing Director of the Company, the market value of which is not less than 2.10 times the outstanding obiligations of the borrower at the point of facility drawndown

40,00,000 shares of Dilip Buildcon Limited held by Mr Dilip Suryavanshi, Managing Director of the company, has been pledged as security

- Personal guarantee of Mr. Dilip Suryavanshi, the managing director of the company and Mr. Devendra Jain, the CEO of the company.

- The above loans carry interest rates ranging from 8.50% to 13.50%. The loans are repayable in monthly installments along with interest.

- The loans are secured by way of hypothecation of the respective vehicles.

- **The securities provided for the Term loan for Working Capital from financial institutions amounting to Rs. 3,325.03/- lakhs (P.Y. - 3,322.42 lakhs) is as follows:**

- Unconditional and irrevocable bank guarantee

- **The securities provided for the Term loan from Financial Institutions amounting to Rs. 20,590.89/- lakhs (in respect of subsidiary company)**

The holding company has pledged 51% shares with Axis Trustee Services Limited .

The loan is secured by a first charge on borrower's immovable properties, both present and future, tangible moveable assets (including but not limited to all current/ non- current asstes ) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.

The loan is also secured by corporate gurantee of Dilip Buildcon Ltd upto first annuity.

- **The securities provided for the Term loan from Financial Institutions amounting to Rs. 13,061/- lakhs (in respect of subsidiary company)**

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

The holding company has pledged 51% shares with Axis Trustee Services Limited .

The loan is secured by a first charge on borrower's immovable properties, both present and future, tangible moveable assets (including but not limited to all current/ non- current asstes ) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.

The loan is also secured by corporate gurantee of Dilip Buildcon Ltd. And personal guarantee of Mr. Dilip Suryavanshi, the managing director of the company, Mrs. Seema Suryavanshi, the whole time director and Mr. Devendra Jain, CEO of the company

**- The securities provided for the Term loan from Financial institution amounting to Rs. 7,858.00/- lakhs (in respect of subsidiary company)**

The holding company has pledged 26% shares with PNB Investment Services Limited.

The loan is secured by a first charge on borrower's immovable properties, both present and future, tangible moveable assets (including but not limited to all current/ non- current asstes ) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.

The loan is also secured by corporate gurantee of Dilip Buildcon Ltd. And personal guarantee of Mr. Dilip Suryavanshi, the managing director of the company, Mrs. Seema Suryavanshi, the whole time director and Mr. Devendra Jain, CEO of the company

### Current borrowings

#### a) Loans payable on demand from Banks

- i. Hypothecation of unencumbered plant and machinery and equipments (present and future).
- ii. Pledge of Fixed Deposit Receipts standing in the name of the company
- iii. Pledge of 1,11,35,858 equity shares of Dilip Buildcon Limited held by Mr. Dilip Suryavanshi, Managing Director and Mr. Devendra Jain, CEO of the Company
- iv. Pari Passu charge of all lender banks by of hypothecation of stock of Material, Stock-in-process i.e. Cement, Steel, Steel Pipes, Gitty, Murram, Bolders, Diesel, Bituminous, oil grease etc. used in

construction works at various sites of the company, work in progress, completed projects along with book-debts and the Government receivables there against.

- v. Margin provided: 25% for Stocks / Receivables 25% for receivables upto 6 months 40% for retention receivables up to 12 months (only with Government Departments)
- vi. Personal guarantee of Mr. Dilip Suryavanshi, the managing director of the company, Mrs. Seema Suryavanshi, the whole time director, Mr. Devendra Jain, the CEO and Ms. Preeti Jain, the relative of the CEO
- vii. Guarantee of the firm M/s B. S. Associates
- viii. The collateral securities provided for the above loans are as follows:

#### **Pari Passi charge of all lender banks by way of Extension of Equitable Mortgage of the following Immovable properties:**

- 1) VacantPlot khasra No. 9/1/2/1/4 situated at vill. Banjari, Kolar Road, Bhopal standing in the name of, the managing director of the company.
- 2) Vacant plot at K.No. 83/2/1, P.H.No.35; R.N.M. – 4, vill. ChapriRatibar, Bhopl, standing in the name of, the whole time director of the company.
- 3) Plot at Khasra No. 235 (Old 85,86/1, 87/23) ; PatwariHalka No. 35, Vill. Chapri, Ratibar Tehsil- Huzur; Distt. Bhopal, standing in the name of the whole time director of the company.
- 4) Diverted land at Khasra No 56 at Village Sevania Tehsil Huzur Dist. Bhopal, standing in the name of, the whole time director of the company.
- 5) Diverted land at Khasra No 56ja (Old khasra No. 56) at Village Sevania Gond PH No 40, Vikas Khand – Phanda, Tehsil Huzur, Dist. Bhopal, standing in the name of Managing director of the company.
- 6) Diverted land at Khasra No 56jha (Old khasra No. 56) at Village Sevania Gond PH No. 40, Vikas Khand – Phanda, Tehsil Huzur, Dist. Bhopal, standing in the name of whole time director of the company
- 7) Diverted Land at Survey No. 9/1/2/1/5, Gram Banjari, Near Ganpati Enclave, Ph no. 39, Kolar Road, Tehsil Huzur,

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Bhopal standing in the name of relative of the whole time director of the company.

- 8) Diverted Land at Survey No. 7/3/1, Gram Baradari, Falodi Colony, Ward No. 14, Ph No. 18 (Behind Vivekanand School) Pargana, Raigarh, Tehsil & District Rajgarh (M.P) H. No. 7/522) standing in the name of the whole time director of the company.
- 9) Diverted Land at Survey No. 7/3/1, Gram Baradari, Falodi Colony, Ward No. 14, Ph No. 18 (Behind Vivekanand School) Pargana, Raigarh, District Rajgarh (M.P) H. No. 7 standing in the name of the whole time director of the company and its relative.
- 10) Land at part Khasra No. 315/2, Patwari Halka No. 35 R N M – 4, Gram Chapri (Ratlam) Vikas Khand Fanda, Tehsil Huzur, Bhopal. Standing in the name of, the whole time director of the company
- 11) Immovable property at khasra no. 51/1/2/1, 51/1/2/2, 51/1/2/3, 51/1/2/4, Behind Halalpura Bus Stand, Bhopal standing in the name of B.S. Associates (partnership firm).
- 12) House on Plot No C/2, C/3A, C/14, C/15, Falaudi Colony, New Ward No 15, Near Swami Vivekanand Public School, Rajgarh standing in the name of relative of the whole time director of the Company.

### (a) Repayment schedule

#### (i) Financial Year 2018-19

(Rs. In Lakhs)

Particulars	1 year	1-3 years	Beyond 3 Years	Total Amount
Debentures	9,000.00	36,000.00	15,000.00	60,000.00
Term Loans From Banks	18,917.30	56,227.03	284,924.26	360,068.58
Term Loans From Others	17,659.64	38,116.10	44,343.64	100,119.39
<b>Total</b>	<b>45,576.94</b>	<b>130,343.13</b>	<b>344,267.90</b>	<b>520,187.97</b>

#### (ii) Financial Year 2017-18

(Rs. In Lakhs)

Particulars	1 year	1-3 years	Beyond 3 Years	Total Amount
Debentures	-	27,000.00	33,000.00	60,000.00
Term Loans From Banks	14,258.00	36,059.69	167,436.14	217,753.83
Term Loans From Others	6,961.70	24,852.22	5,508.43	37,322.35
<b>Total</b>	<b>21,219.70</b>	<b>87,911.91</b>	<b>205,944.57</b>	<b>315,076.18</b>

### Note 12: Trade payables

(Rs. In Lakhs)

Particulars	31 March 2019	31 March 2018
<b>Current</b>		
(i) total outstanding dues of micro enterprises and small enterprises; (Refer Note 37)	3,511.46	133.72
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises*;	170,599.60	152,024.92
<b>Total</b>	<b>174,111.06</b>	<b>152,158.64</b>

\* Includes Rs. 1,411.83/- lakhs (P.Y. Rs. 4.48/- lakhs) payable to related parties

### Note 13: Other financial liabilities

(Rs. In Lakhs)

Sr. No.	Particulars	31 March 2019	31 March 2018
	<b>Non-Current</b>		
(i)	Others	29.13	29.13
	<b>Total</b>	<b>29.13</b>	<b>29.13</b>
	<b>Current</b>		
(i)	Current maturities of long term borrowings (Note 11)	45,576.95	21,219.70
(ii)	Interest accrued but not due on borrowings	1,360.60	1,483.51
(iii)	Unpaid Dividend	3.13	2.89
(iv)	Creditors for expenses*	17,674.64	11,649.61
(v)	Creditors for Fixed Assets	3,061.12	2,116.00
	<b>Total</b>	<b>67,676.44</b>	<b>36,471.71</b>

\* Includes Rs. 1,807.52/- lakhs (P.Y. Rs. 1037.40/- lakhs) payable to related parties

### Note 14: Provisions

(Rs. In Lakhs)

Sr. No.	Particulars	31 March 2019	31 March 2018
	<b>Non-current</b>		
(a)	Provision for employee benefits		
(i)	Provision for compensated absences	1,910.89	788.70
	Less: Current provision	45.06	169.08
		<b>1,865.83</b>	<b>619.62</b>
(ii)	Provision for gratuity (Refer Note 31)	3,130.51	2,053.50
	Less: Current provision	1,172.52	826.47
		<b>1,957.99</b>	<b>1,227.03</b>
		<b>3,823.81</b>	<b>1,846.65</b>

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

(b)	Defect liability provision (Refer Note 29)	756.62	566.09		Less: Current provision - Related parties	65.36	5,265.26
(c)	Provision for loss on Sale on Investment (Refer Note 29)	3,908.00	3,908.00		Less: Current provision - Others	27,170.38	56,716.32
(d)	Provision for Major Maintenance (Refer Note 29)	2,879.07	-			<b>28,335.00</b>	<b>16,242.68</b>
	<b>Total Non-current provisions</b>	<b>11,367.51</b>	<b>6,320.74</b>		(b) Advance Received against sale of equity in subsidiary companies	74,084.70	40,643.81
	<b>Current</b>				Less: Liabilities in respect of non current assets classified as held for sale	(27,578.05)	(27,450.19)
(a)	Provision for employee benefits					<b>46,506.65</b>	<b>13,193.62</b>
(i)	Provision for compensated absences	45.06	169.08		<b>Total non-current</b>	<b>74,841.65</b>	<b>29,436.30</b>
(ii)	Provision for gratuity (Refer Note 31)	1,172.52	826.47		<b>Current</b>		
(iii)	Others	-	0.27		(a) Advances from customers		
	<b>Total Current provisions</b>	<b>1,217.58</b>	<b>995.82</b>		(i) Related parties	65.36	5,265.26
	<b>Total provisions</b>	<b>12,585.09</b>	<b>7,316.56</b>		(ii) Others	27,170.38	56,716.32

### Note 15: Other liabilities

Sr. No.	Particulars	31 March 2019	31 March 2018
	<b>Non-current</b>		
(a)	Advances from customers		
(i)	Related parties	7,689.96	12,955.23
(ii)	Others	47,880.78	65,269.03
		<b>55,570.74</b>	<b>78,224.26</b>

(b)	Other Advances from customers	54,902.67	-
(c)	Duties and Taxes	8,179.37	14,550.38
(d)	Statutory Remittances	2,816.04	749.94
(e)	Amounts withheld from Contractor	12,546.70	17,668.10
	<b>Total current</b>	<b>105,680.52</b>	<b>89,684.74</b>
	<b>Total</b>	<b>180,522.17</b>	<b>119,121.04</b>

### Note 16: Income Taxes

#### Deferred tax

(Rs. In Lakhs)

Deferred tax relates to the following: Deferred tax asset / (liability)	Balance sheet		Statement of Profit and Loss & Other comprehensive income	
	31 March 2019	31 March 2018	For year ended March 31, 2019	For the year ended 31st March, 2018
<b>Deferred tax asset</b>				
Provision for post retirement benefits and other employee benefits	3,499.42	5,135.50	(1,636.08)	3,317.44
Provisions	10,104.00	1,548.64	8,555.36	(2,780.42)
Property, plant & equipment and intangible assets	0.12	35,246.30	(35,246.18)	35,236.04
On account of service concession arrangement	-	-	-	(1,068.51)
Other temporary differences	122.98	1,753.65	(1,630.67)	1,597.73
<b>Total</b>	<b>13,726.50</b>	<b>43,684.09</b>	<b>(29,957.57)</b>	<b>36,302.28</b>

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

<b>Deferred tax liability</b>				
Property, plant & equipment and intangible assets	15,332.58	28,790.90	(13,458.32)	13,908.00
On account of service concession arrangement	248.80	26,908.07	(26,659.27)	26,062.99
On account of business acquisition	-	-	-	(25.67)
On account of reversal of liability after sale of stake in subsidiary companies	-	-	-	1,041.41
Other temporary differences	684.17	175.07	509.10	175.09
<b>Total</b>	<b>16,265.56</b>	<b>55874.05</b>	<b>(39608.49)</b>	<b>41161.82</b>
<b>Net deferred tax asset / (liability)</b>	<b>(2,539.06)</b>	<b>(12189.96)</b>	<b>9650.92</b>	<b>(4859.54)</b>
<b>Deferred tax (expense)/income</b>			<b>9650.92</b>	<b>(4859.54)</b>
- Recognised in statement of profit and loss			9679.16	(4842.15)
- Recognised in statement of other comprehensive income			(28.24)	(17.38)

### Note 17: Revenue from operations

(Rs. In Lakhs)

Sr. No.	Particulars	For year ended March 31, 2019	For year ended March 31, 2018
(i)	Contract revenue*	915,127.31	781,962.83
(ii)	Toll Revenue	9,532.11	1,647.70
(iii)	<u>Other operating revenue</u>		
(a)	Miscellaneous Receipt	2,528.28	4,008.26
(b)	Interest Income due to unwinding of Annuity amount	14,116.10	4,990.30
(c)	Other	280.50	1,138.83
		<b>16,924.88</b>	<b>10,137.39</b>
	<b>Total</b>	<b>941,584.30</b>	<b>793,747.92</b>

\* includes revenue on account of Bonus on earlier completion of contract Rs.3,258.90/- Lakhs (previous Year Rs.8,779.16/- lakhs)

### Note 18: Other income

(Rs. In Lakhs)

Sr. No.	Particulars	For year ended March 31, 2019	For year ended March 31, 2018
(i)	Interest Income		
(a)	Interest from banks on deposits	1,935.91	1,339.08
(b)	Interest on loan	798.21	73.85
		<b>2,734.12</b>	<b>1,412.93</b>
(ii)	Other non-operating income		
(a)	Interest on Income tax refund	219.99	-
(b)	Other	1,723.11	266.79

Sr. No.	Particulars	For year ended March 31, 2019	For year ended March 31, 2018
(c)	Unwinding of security deposit	42.59	23.50
(d)	Profit on Sale of Assets	11.36	17.34
		<b>1,997.05</b>	<b>307.62</b>
	<b>Total</b>	<b>4,731.17</b>	<b>1,720.55</b>

### Note 19: Cost of construction

(Rs. In Lakhs)

Sr. No.	Particulars	For year ended March 31, 2019	For year ended March 31, 2018
(a)	Raw Material		
	Opening Stock	188,940.22	141,165.79
	Add: Purchases	315,652.37	256,407.38
	Less: Closing Stock	233,502.06	188,940.22
		<b>271,090.54</b>	<b>208,632.95</b>
(b)	Cartage & Transportation	22,054.38	32,177.02
(c)	Labour Charges	161,244.21	128,323.64
(d)	Power and Fuel	113,910.62	103,679.72
(e)	Electrical Repairs and Maintenance	70.10	78.10
(f)	Insurance Charges	4,371.50	1,851.37
(g)	Machinery Repairs and Maintenance	4,602.66	3,521.49
(h)	Security Maintenance	14.82	188.35
(i)	Technical and Consultancy Charges	9,498.12	13,693.87
(j)	Labour Cess and Taxes	8,024.33	6,847.82

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

(k)	Lease Rent	9,230.03	5,953.85
(l)	Vehicle and Machine related Charges	3,773.93	5,611.08
(m)	Royalty Charges	11,506.87	14,834.24
(n)	Salary to Site Staff	69,571.82	54,361.03
(o)	Site Expenses	14,066.92	11,015.89
(p)	Subcontractor Charges	18,388.26	7,738.48
(q)	Operation and Maintenance Charges	1,842.50	-
	<b>Total</b>	<b>723,261.60</b>	<b>598,508.91</b>

### Note 20: Changes in inventories

Particulars	For year ended March 31, 2019	For year ended March 31, 2018
<b>Work in progress</b>		
Opening Stock	13,683.18	25,219.21
Less: Closing Stock	16,941.26	13,683.18
<b>Total</b>	<b>(3,258.08)</b>	<b>11,536.03</b>

### Note 21: Employee benefits expense

Sr. No.	Particulars	For year ended March 31, 2019	For year ended March 31, 2018
(i)	Salaries, wages and bonus	6,629.86	6,109.07
(ii)	Contributions to : Provident Fund	2,984.25	2,316.73
	ESIC	578.33	1,074.05
	Voluntary Benefit Fund	160.09	122.12
(iii)	Employee's welfare and Other amenities	3,924.27	2,231.30
(iv)	Directors' Remuneration	3,600.00	3,600.00
	<b>Total</b>	<b>17,876.79</b>	<b>15,453.28</b>

### Note 22: Finance cost

Sr. No.	Particulars	For year ended March 31, 2019	For year ended March 31, 2018
(i)	Interest on borrowings	69,479.31	50,637.07
(ii)	Interest on other financial liability	1,295.41	910.58
(iii)	Other borrowing costs	16,411.40	7,363.41
(iv)	Unwinding of discount and effect of changes in discount rate on provisions	-	59.42
	<b>Total</b>	<b>87,186.13</b>	<b>58,970.48</b>

### Note 23: Other expenses

Sr. No.	Particulars	For year ended March 31, 2019	For year ended March 31, 2018
1	Advertisement Charges	157.28	82.85
2	Audit Fees (Note 26)	80.07	77.33
3	Business Promotion Exp	145.88	26.30
4	Conveyance	18.81	66.68
5	Legal Charges	1,231.78	795.18
6	Printing & Stationery	273.67	261.73
7	Repairs and Maintenance - Others	753.10	623.77
8	Service Tax	-	462.75
9	Telephone Charges	446.26	528.22
10	Tender Expenses	84.85	187.75
11	Travelling Expenses	2,874.10	1,358.74
12	Vat Expenditure/GST	1,244.28	4,604.47
13	Office Rent	447.80	351.07
14	Miscellaneous Expenses	1,143.71	357.36
15	Provision for Doubtful Debts	11,000.00	4,200.00
16	Office Expenses	498.65	578.73
17	Postage and Courier	88.61	50.89
18	Directors Sitting fees	18.70	3.90
19	CSR expenses (Note 44)	107.94	233.66
20	Debts written off	-	3,289.17
21	Defect liability Provision (Note 29)	700.00	800.00
22	Custom Duty	-	4.47
23	Establishment Expenses	22.66	18.40
24	Major Maintenance Provision (Note 29)	2,879.07	-
25	Insurance charges	86.40	157.21
26	Technical and Consultancy Charges	2,829.07	1,289.61
27	Interest on TDS	18.42	-
28	WCT Expenses	-	152.16
29	Preliminary Expenses	0.57	498.18
30	Road Safety Fund	52.12	-
31	Interest on Income Tax	2.36	-
	<b>Total</b>	<b>27,206.16</b>	<b>21,060.57</b>

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

### Note 24: Other comprehensive income

(Rs. In Lakhs)

Sr. No.	Particulars	For year ended March 31, 2019	For year ended March 31, 2018
(i)	Items that will not be reclassified to profit or loss		
(a)	Remeasurements gains / (losses) on post-employment benefits	(80.82)	50.23
(b)	Tax on remeasurements gains / (losses)	(28.24)	(17.38)
	<b>Total</b>	<b>(109.06)</b>	<b>32.85</b>

### Note 25: Commitments & Contingent Liabilities

(Rs. In Lakhs)

Sr. No.	Particulars	31 March 2019	31 March 2018
	<b>Contingent Liabilities</b>		
i)	Claims against the company not acknowledged as debts	5,000.29	3,674.16
ii)	Sales Tax assessment-pending appeal		
	Financial year 2008-09	-	156.56
iii)	Guarantees issued by the bank on Company's behalf	392,034.39	334,435.40
iv)	Income Tax matters	4,437.30	1,227.76
	<b>401,471.98</b>	<b>339,493.88</b>	

25.1 The claims against the company not acknowledged as debts include claims made by others under various laws.

25.2 The Company as part of its various commitments to be fulfilled under Construction Contracts has provided Bank Guarantees to various parties.

25.3 The Company had filed its Income Tax Return for the Assessment year 2013-14 (Covered under the application made to the Settlement Commission) wherein it has claimed deduction u/s 80IA. The said deduction has been allowed by the Hon'ble Income Tax Settlement Commission, Delhi but the department has filled the Writ Petition against the said allowance to Hon'ble Jabalpur High Court. The Company is yet to receive the final order from the High Court.

25.4 The company has received the assessment order under section 143(3) of the Income Tax Act, 1961 of AY 2016-17. Pursuant to order the total demand raised by the Income Tax Department was Rs. 5,497.64/- lakhs. The company had filed the rectification on the said order and requested to recompute the tax liability pursuant to Assessment order. The department had accepted the request and shared the order under section 154 and recomputed the demand which was amounting to Rs. 4,437.30/- lakhs.

The company has filed the appeal against the said order to Hon'ble CIT(A), Bhopal and received the stay on demand order from AO stating remaining demand stayed till the disposal of first appeal.

### Note 26: Remuneration to Auditors

(Rs. In Lakhs)

Sr. No.	Particulars	For year ended March 31, 2019	For year ended March 31, 2018
a)	Audit Fees	65.72	55.30
b)	Limited Review Fees	9.00	9.00
c)	Other Certification	5.35	13.03
	<b>Total</b>	<b>80.07</b>	<b>77.33</b>

### Note 27: Earning per Share ( Basic and diluted )

(Rs. In Lakhs)

Sr. No.	Particulars	For year ended March 31, 2019	For year ended March 31, 2018
a)	Profit for the year after tax	54,744.64	57,764.37
b)	Weighted average number of equity shares used as denominator	136,769,768	136,769,768
c)	Basic & Diluted earning per share of nominal value of Rs 10/- each	<b>40.03</b>	<b>42.23</b>

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

## Note 28: Related party transaction

Details of related parties Name of the related party	Nature of relationship - FY 2018-19	% of holding		31 March 2018
		31 March 2019	Nature of relationship - FY 2017-18	
DBL Ashoknagar-Vidisha Tollways Limited	Associate	30.00%	Associate	30.00%
DBL Bankhlafata Dongawa Tollways Limited	-	15.00%	Associate	30.00%
DBL Jaora Sailana Tollways Limited	-	15.00%	Associate	30.00%
DBL Mundi Sanawad Tollways Limited	-	15.00%	Associate	30.01%
DBL Nadiad Modasa Tollways Limited	Associate	26.00%	Associate	30.00%
DBL Sardarpur Badnawar Tollways Limited	-	15.00%	Associate	30.04%
DBL Silwani Sultanganj Tollways Limited	-	15.00%	Associate	30.01%
DBL Sitamau Suwasara Tollways Limited	-	15.00%	Associate	30.00%
DBL Uchera Nagod Tollways Limited	-	15.00%	Associate	30.00%
Dilip Buildcon-Varah Infra Ltd (JV)	Entities with whom reporting entity has Joint Operations			
Dilip Buildcon Limited -Varah Infra Ltd (JV)				
Dilip Buildcon-MBZ JV				
DBL-DECO JV				
Valecha Dilip JV				
Dilip Buildcon Limited & Ranjit Buildcon Limited JV				
Shri Dilip Suryavanshi				
Smt. Seema Suryavanshi				
Shri Devendra Jain				
Shri Vaibhav Rawat (Chief Financial Officer till 15.05.2018)				
Shri Raja Ghosh (Interim Chief Financial Officer from till 10.12.2018)	Key Managerial Persons (KMP)			
Shri Radhey Shyam Garg (Chief Financial Officer from 10.12.2018)				
Shri. Abhishek Shrivastava (Company Secretary)				
Shri Bharat Singh (President)				
Shri Kundan kumarb Das				
Shri Shyam Sundar Malani				
Shri Sandeep Deshpande				
Shri Javed Khan				
Shri Piyush Jain				
Shri Nikhil Pareek				
Shri Rohan Suryavanshi	Relatives of KMP			
Shri Karan Suryavanshi				
Shree Vinayak Enterprises & Properties	Other Related Parties			
Shrem Infraventure Private Limited				
Genex Hotels Pvt Ltd				
DNN Media Communication Pvt Ltd				
Shrem Roadways Pvt Ltd				
Highfly Airlines Pvt. Limited				
B.S.Associates				
DBL Employee VBF Fund Trust				

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

The following transactions were undertaken during the reporting period:

### 1) Expense

Nature of transaction	Year ended 31 March 2019			Grand Total
	Associates	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
<b>Receiving of services/Reimbursement of Expenses</b>				
Shri Vinayak Enterprises & Properties		312.00		312.00
<b>Operation and Maintenance Charges</b>				
Shrem Roadways Private Limited		1,700.25		1,700.25
<b>Remuneration paid</b>				
Shri Dilip Suryavanshi			1,600.00	1,600.00
Smt. Seema Suryavanshi			200.00	200.00
Shri Devendra Jain			1,800.00	1,800.00
*Shri Vaibhav Rawat			7.56	7.56
**Shri Raja Ghosh (Interim Chief Financial Officer)			25.31	25.31
#Shri Radhey Shyam Garg (Chief Financial Officer)			17.59	17.59
Shri. Abhishek Shrivastava (Company Secretary)			28.24	28.24
Shri Bharat Singh (President)			86.29	86.29
Shri Rohan Suryavanshi			122.00	122.00
Shri Karan Suryavanshi			97.60	97.60
<b>Post-employment benefits</b>				
Directors (Shri Dilip Suryavanshi, Smt. Seema Suryavanshi and Shri Devendra Jain)			2.02	2.02
#Shri Radhey Shyam Garg (Chief Financial Officer)			0.92	0.92
**Shri Raja Ghosh (Interim Chief Financial Officer)			0.39	0.39
Shri. Abhishek Shrivastava (Company Secretary)			0.81	0.81
Shri Bharat Singh (President)			1.63	1.63
Shri Rohan Suryavanshi			4.43	4.43
Shri Karan Suryavanshi			1.84	1.84
<b>Reversal of Income</b>				
DBL Nadiad Modasa Tollways Ltd	745.13			745.13
<b>Total</b>	<b>745.13</b>	<b>2,012.25</b>	<b>3,996.63</b>	<b>6,754.01</b>

\* CFO Mr Vaibhav Rawat Resigned on dated 15.05.2018

\*\* Interim CFO Mr Raja Ghosh has been appointed on dated 29.05.2018 and resigned on dated 10.12.2018.

# New CFO Mr Radhey Shyam Garg has been appointed on dated 10.12.2018

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Nature of transaction	Year ended 31 March 2018		
	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	Grand Total
<b>Receiving of Services/ Reimbursement of Expenses</b>			
Shri Vinayak Enterprises & Properties	351.07		351.07
<b>Remuneration paid</b>			
Shri Dilip Suryavanshi		1,600.00	1,600.00
Smt. Seema Suryavanshi		200.00	200.00
Shri Devendra Jain		1,800.00	1,800.00
Shri Vaibhav Rawat (Chief Financial Officer)		54.90	54.90
Shri. Abhishek Shrivastava (Company Secretary)		23.26	23.26
Shri Bharat Singh (President)		84.00	84.00
Shri Rohan Suryavanshi		122.00	122.00
Shri Karan Suryavanshi		97.60	97.60
<b>Post-employment benefits</b>			
Directors (Shri Dilip Suryavanshi, Smt. Seema Suryavanshi and Shri Devendra Jain)		22.93	22.93
Shri Vaibhav Rawat (Chief Financial Officer)		1.03	1.03
Shri. Abhishek Shrivastava (Company Secretary)		0.08	0.08
Shri Bharat Singh (President)		8.81	8.81
Shri Rohan Suryavanshi		1.05	1.05
Shri Karan Suryavanshi		2.41	2.41
<b>Total</b>	<b>351.07</b>	<b>4,018.07</b>	<b>4,369.14</b>

The following transactions were undertaken during the reporting period:

### 2) Income

Nature of transaction	Year ended 31 March 2019		
	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	Grand Total
<b>Contract Receipts</b>			
Dilip Buildcon-Varah Infra Ltd (JV)	23,048.78		23,048.78
Dilip Buildcon Limited -Varah Infra Ltd (JV)	7,140.69		7,140.69
Dilip Buildcon-MBZ JV	44,226.09		44,226.09
DBL-DECO JV	88,668.48		88,668.48
<b>Other Contract Receipts</b>			
Dilip Buildcon Limited & Ranjit Buildcon Limited JV	178.15		178.15
<b>Total</b>	<b>163,262.19</b>	<b>-</b>	<b>163,262.19</b>

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Nature of transaction	Year ended 31 March 2018		Grand Total
	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
<b>Contract Receipts</b>			
Dilip Buildcon-Varah Infra Ltd (JV)	37,955.71		37,955.71
Dilip Buildcon-MBZ JV	23,258.52		23,258.52
DBL-DECO JV	79,411.45		79,411.45
<b>Other Contract Receipts</b>			
Dilip Buildcon Limited & Ranjit Buildcon Limited JV	274.44		274.44
<b>Total</b>	<b>140,900.13</b>	<b>-</b>	<b>140,900.13</b>

The following balances were outstanding at the end of the reporting period:

### 1) Balances receivable from related parties

Nature of transaction	Associates	Year ended 31 March 2019		Grand Total
		Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
<b>Investment in Shares – Equity</b>				
DBL Nadiad Modasa Tollways Limited	1,298.19			1,298.19
<b>Security Deposit given</b>				
Shree Vinayak Enterprises & Properties		549.20		549.20
DBL-DECO JV		6,126.94		6,126.94
<b>Trade Receivables</b>				
Dilip Buildcon-MBZ JV		3,879.61		3,879.61
DBL-DECO JV		2,930.40		2,930.40
Dilip Buildcon Limited -Varah Infra Ltd (JV)		2,988.40		2,988.40
Dilip Buildcon Limited & Ranjit Buildcon Limited JV		1.19		1.19
Valecha Dilip JV		22.60		22.60
<b>Unsecured Loans Given</b>				
Dilip Buildcon Limited-Varah Infra Ltd (JV)		1.10		1.10
DBL Bankhlafata Dongawa Tollways Limited		21.93		21.93
DBL Sardarpur Badnawar Tollways Limited		1,081.00		1,081.00
<b>Retention &amp; Withheld Money</b>				
Dilip Buildcon-MBZ JV		3,645.79		3,645.79
Dilip Buildcon Limited-Varah Infra Ltd (JV)		2,675.14		2,675.14
Dilip Buildcon-Varah Infra Ltd (JV)		2,221.96		2,221.96
DBL-DECO JV		250.16		250.16
<b>Advance given</b>				
B. S. Associates		245.30		245.30
Valecha Dilip JV		264.02		264.02
DBL Employee VBF Fund Trust		523.39		523.39
Shri Bharat Singh (President)			7.80	7.80
<b>Total</b>	<b>1,298.19</b>	<b>27,428.15</b>	<b>7.80</b>	<b>28,734.14</b>

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Nature of transaction	Year ended 31 March 2018			Grand Total
	Associates	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
<b>Investment in Shares – Equity</b>				
DBL Ashoknagar-Vidisha Tollways Limited	598.81			598.81
DBL Bankhlafata Dongawa Tollways Limited	480.00			480.00
DBL Jaora Sailana Tollways Limited	600.00			600.00
DBL Mundi Sanawad Tollways Limited	631.41			631.41
DBL Nadiad Modasa Tollways Limited	859.67			859.67
DBL Sardarpur Badnawar Tollways Limited	300.12			300.12
DBL Silwani Sultanganj Tollways Limited	631.41			631.41
DBL Sitamau Suwasara Tollways Limited	232.51			232.51
DBL Uchera Nagod Tollways Limited	960.01			960.01
<b>Security Deposit given</b>				
Shree Vinayak Enterprises & Properties		450.00		450.00
DBL Employee VBF Fund Trust		471.75		471.75
DBL-DECO JV		3,018.88		3,018.88
<b>Trade Receivables</b>				
DBL Ashoknagar-Vidisha Tollways Limited	3.92			3.92
DBL Mundi Sanawad Tollways Limited	7.06			7.06
DBL Nadiad Modasa Tollways Limited	745.13			745.13
DBL Sardarpur Badnawar Tollways Limited	4.21			4.21
DBL Silwani Sultanganj Tollways Limited	7.13			7.13
DBL Sitamau Suwasara Tollways Limited	16.74			16.74
DBL Uchera Nagod Tollways Limited	4.67			4.67
Valecha Dilip JV		22.60		22.60
DBL-DECO JV		6,489.53		6,489.53
Dilip Buildcon-Varah Infra Ltd (JV)		11,242.83		11,242.83
Dilip Buildcon-MBZ JV		7,208.83		7,208.83
<b>Unsecured Loans Given</b>				
DBL Bankhlafata Dongawa Tollways Limited	22.23			22.23
DBL Mundi Sanawad Tollways Limited	1,368.53			1,368.53
DBL Nadiad Modasa Tollways Limited	1,879.68			1,879.68
DBL Sardarpur Badnawar Tollways Limited	81.35			81.35
DBL Sitamau Suwasara Tollways Limited	4.17			4.17
DBL Ashoknagar-Vidisha Tollways Limited	4.36			4.36
DBL Jaora Sailana Tollways Limited	4.22			4.22
DBL Silwani Sultanganj Tollways Limited	464.57			464.57
DBL Uchera Nagod Tollways Limited	0.93			0.93

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Nature of transaction	Year ended 31 March 2018			Grand Total
	Associates	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
<b>Withheld Money</b>				
Dilip Buildcon-MBZ JV		200.00		200.00
Dilip Buildcon-Varah Infra Ltd (JV)		2,322.16		2,322.16
<b>Advance given</b>				
B. S. Associates		245.30		245.30
Valecha Dilip JV		264.02		264.02
Shri Bharat Singh (President)			4.23	4.23
<b>Total</b>	<b>9,912.86</b>	<b>31,935.91</b>	<b>4.23</b>	<b>41,853.00</b>

### 2) Balances payable to related parties

Nature of transaction	Year ended 31 March 2019		Grand Total
	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
<b>Unsecured Loans Taken</b>			
DBL-MBZ JV	686.31		686.31
DBL Deco JV	155.42		155.42
Dilip Buildcon-Varah Infra Ltd (JV)	1,688.48		1,688.48
Highfly Airlines Pvt. Limited	24.06		24.06
DBL Ashoknagar-Vidisha Tollways Limited	21.65		21.65
Shrem Infraventure Private Limited	1,692.48		1,692.48
Dilip Suryavanshi		9.05	9.05
<b>Advance Received</b>			
DBL-MBZ JV	7,689.97		7,689.97
<b>Amounts Payable</b>			
Shrem Roadways Private Limited	1,407.35		1,407.35
Shree Vinayak Enterprises & Properties	4.48		4.48
Bhavya Infra & Systems Private Limited			-
Shri Dilip Suryavanshi		635.22	635.22
Smt. Seema Suryavanshi		99.02	99.02
Shri Devendra Jain		1,073.28	1,073.28
<b>Total</b>	<b>13,370.20</b>	<b>1,816.57</b>	<b>15,186.77</b>

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Nature of transaction	Year ended 31 March 2018		
	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	Grand Total
<b>Advance Received</b>			
Dilip Buildcon-MBZ JV	12,955.23		12,955.23
<b>Unsecured Loans Taken</b>			-
DBL Tuljapur AUSA Highways Ltd			-
DBL-MBZ JV	369.15		369.15
Highfly Airlines Pvt. Limited	24.06		24.06
DBL Deco JV	622.01		622.01
Dilip Buildcon-Varah Infra Ltd (JV)	1,927.69		1,927.69
<b>Amounts Payable</b>			
Shree Vinayak Enterprises & Properties	4.48		4.48
Shri Dilip Suryavanshi		389.36	389.36
Smt. Seema Suryavanshi		43.34	43.34
Shri Devendra Jain		604.70	604.70
<b>Total</b>	<b>15,902.61</b>	<b>1,037.40</b>	<b>16,940.01</b>

### Note 29: Movement in provision

Particulars	Defect Liability Provision	Major Maintenance	(Rs. In Lakhs)
			Provision for Loss on sale of Investment
<b>Carrying amount as at 31 March 2017</b>	<b>958.85</b>	<b>359.00</b>	<b>-</b>
Additional provision recognised during year	800.00	-	3,908.00
Amount utilised during the year	1,192.76	-	-
Unused amounts reversed during the year	-	359.00	-
Unwinding of provision during the year	-	-	-
<b>Carrying amount as at 31 March 2018</b>	<b>566.09</b>	<b>-</b>	<b>3,908.00</b>
Additional provision recognised during year	700.00	2,879.07	-
Amount utilised during the year	509.47	-	-
Unused amounts reversed during the year	-	-	-
Unwinding of provision during the year	-	-	-
<b>Carrying amount as at 31 March 2019</b>	<b>756.62</b>	<b>2,879.07</b>	<b>3,908.00</b>

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

## Note 30: Fair value of financial assets and liabilities

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

(Rs. In Lakhs)

Sr. No.	Particulars	Carrying value		Fair value	
		31 March 2019	31 March 2018	31 March 2019	31 March 2018
	<b>Financial Asset</b>				
(a)	Carried at amortised cost				
(i)	Trade receivable *	195,111.81	196,692.41	-	-
(ii)	Security deposits	21,298.87	23,270.29	21,298.87	23,270.29
(iii)	Deposit in banks	7,869.17	6,548.73	7,869.17	6,548.73
(iv)	Other financial asset	44,709.50	23,272.61	44,709.50	23,272.61
(v)	Cash and cash equivalent *	52,109.34	29,455.19	-	-
	<b>Financial Liabilities</b>				
a)	Carried at amortised cost				
(i)	Borrowings	740,609.28	494,861.55	740,609.28	494,861.55
(ii)	Trade payable *	174,111.06	152,158.63	-	-
(iii)	Other financial liabilities	20,768.02	13,797.63	20,768.02	13,797.63
(iv)	Interest accrued but not due on borrowings	1,360.60	1,483.51	1,360.60	1,483.51

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuations, including independent price validation for certain instruments. Further, in other instances, Company retains independent pricing vendors to assist in corroborating the valuations of certain instruments.

The fair value of the financial assets and liabilities are included at the amount at which the instrument that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date.

### The following methods and assumptions were used to estimate the fair values:

\* The company has not disclosed the fair values of trade payables, trade receivables and cash and cash equivalents, because their carrying amounts are reasonable approximation of fair value.

Fair value of security deposits have been estimated using a DCF model. The valuation requires management to make certain assumptions about interest rates, maturity period, credit risk, forecasted cash flows.

Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the company based on parameters such as interest rates, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables. As of reporting date the carrying amounts of such receivables, net of allowances are not materially different from their calculated fair values.

Carrying value of loans from banks, other non current borrowings and other financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The own non- performance risk as at reporting date was assessed to be insignificant.

### Fair value hierarchy

The following table provides the fair value measurement hierarchy of Company's assets and liabilities grouped into Level 1 to Level 3 as described in significant accounting policies - Note 2. Further table describes the valuation techniques used, key inputs to valuations and quantitative information about significant unobservable inputs for fair value measurements.

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

### Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2019:

Sr. No.	Particulars	Fair value measurement using			Valuation technique used	Inputs used
		Level 1	Level 2	Level 3		
	<b>Assets for which fair values are disclosed</b>					
(a)	<b>Financial assets measured at amortised cost</b>					
(i)	Security deposits		21,298.87		Discounted cash flows	Forecast cash flows, discount rate, maturity
(ii)	Deposit in banks		7,869.17			
(iii)	Other financial asset		44,709.50			
(b)	<b>Financial liability measured at amortised cost</b>					
(i)	Borrowings		740,609.28		Discounted cash flows	Forecast cash flows, discount rate, maturity
(ii)	Other financial liabilities		20,768.02			
(iii)	Interest accrued but not due on borrowings		1,360.60			

### Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2018:

Sr. No.	Particulars	Fair value measurement using			Valuation technique used	Inputs used
		Level 1	Level 2	Level 3		
	<b>Assets for which fair values are disclosed</b>					
(a)	<b>Financial assets measured at amortised cost</b>					
(i)	Security deposits		23,270.29		Discounted cash flows	Forecast cash flows, discount rate, maturity
(ii)	Deposit in banks		6,548.73			
(iii)	Other financial asset		23,272.61			
(b)	<b>Financial liability measured at amortised cost</b>					
(i)	Borrowings		494,861.55		Discounted cash flows	Forecast cash flows, discount rate, maturity
(ii)	Other financial liabilities		13,797.63			
(iii)	Interest accrued but not due on borrowings		1,483.51			

During the year ended 31 March 2019 and 31 March 2018 there were no transfers between level 1 and level 2 fair value measurements and no transfers into and out of level 3 fair value measurement.

### Note 31: Employee Benefits :

#### i Defined Contribution Plans:

- Amount of Rs. 3,390.79/- lakhs (P.Y. Rs.2,281.20/- lakhs) is recognised as an expense as contribution to Provident Fund and ESIC and included in "Employees benefits expense" (Note 21) in the Profit and Loss Statement.
- The expenses for leave entitlement recognised in the profit and loss statement is Rs. 240.90/- lakhs (P.Y. Rs. 306.71/- lakhs) and is included under 'Employee's welfare and Other amenities' in "Employees benefits expense" (Note 21) in the Profit and Loss Statement.

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

### ii Defined Benefit Plans:

a) The amounts recognised in Balance Sheet are as follows:

		(Rs. In Lakhs)	
Sr. No.	Particulars	As at 31 March 2019	As at 31 March 2018
		Gratuity Plan (Funded)	Gratuity Plan (Funded)
A.	Amount to be recognised in Balance Sheet		
	Present Value of Defined Benefit Obligation	3,528.41	2,400.44
	Less: Fair Value of Plan Assets	(397.90)	(363.49)
	Amount to be recognised as liability or (asset)	3,130.51	2,036.95

b) The amounts recognised in the Profit and Loss Statement are as follows:

		(Rs. In Lakhs)	
Sr. No.	Particulars	2018-19	2017-18
		Gratuity Plan (Funded)	Gratuity Plan (Funded)
1	Current Service Cost	940.21	672.03
2	Past service cost and loss/(gain) on curtailments and settlement		63.38
3	Net Interest (income)/expenses	118.53	91.29
	Net periodic benefit cost recognised in the statement of profit & loss- (Employee benefit expenses - Note 22)	1,058.74	826.70

c) The amounts recognised in the statement of other comprehensive income (OCI)

		(Rs. In Lakhs)	
Sr. No.	Particulars	2018-19	2017-18
		Gratuity Plan (Funded)	Gratuity Plan (Funded)
1	Opening amount recognised in OCI outside profit and loss account	-	-
2	Due to Change in financial assumptions	31.40	(50.62)
3	Due to Change in demographic assumptions	-	-
4	Due to experience adjustments	29.47	0.30
5	Return on Plan assets excluding amounts included in Interest Income	19.94	0.09
6	Total Remeasurements Cost / (Credit ) for the year recognised in OCI	80.81	(50.23)
	Less: Accumulated balances transferred to retained earnings	-	-
	Closing balances (remeasurement (gain)/loss recognised OCI	80.81	(50.23)

d) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

		(Rs. In Lakhs)	
Sr. No.	Particulars	As at 31 March 2019	As at 31 March 2018
		Gratuity Plan (Funded)	Gratuity Plan (Funded)
1	Balance of the present value of Defined benefit Obligation as at 01-04-2018 / 01-04-2017	2,400.44	1,692.13
2	Interest expenses	164.42	117.61
3	Current Service Cost	940.21	672.03
4	Actuarial (gain) / loss due to change in financial assumptions	31.40	-50.62

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

5	Actuarial (gain) / loss due to change in demographic assumptions	-	-
6	Actuarial (gain) / loss due to change in experience adjustments	29.47	0.30
7	Past Service Cost	-	63.38
8	Benefits paid	(37.53)	(94.39)
	Present value of obligation as at the end of the period 31-03-2019 / 31-03-2018	3,528.41	2,400.44

**e) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:**

		(Rs. In Lakhs)	
Sr. No.	Particulars	Gratuity Plan (Funded)	Gratuity Plan (Funded)
		As at 31 March 2019	As at 31 March 2018
1	Fair value of the plan assets as at beginning of the period 01-04-2018 / 01-04-2017	363.49	378.67
2	Interest income	45.88	26.32
3	Contributions	46.00	52.98
4	Benefits paid	(37.53)	(94.39)
5	Return on plan assets, excluding amount recognized in Interest Income - Gain / (Loss)	(19.94)	(0.09)
6	Fair value of plan assets as at the end of the period 31-03-2019 / 31-03-2018	397.90	363.49
7	Actual return on plan assets	25.94	26.23

**f) Net interest (Income)/expenses**

		(Rs. In Lakhs)	
Sr. No.	Particulars	Gratuity Plan (Funded)	Gratuity Plan (Funded)
		As at 31 March 2019	As at 31 March 2018
1	Interest (Income) / Expense – Obligation	164.42	117.61
2	Interest (Income) / Expense – Plan assets	(45.88)	(26.32)
3	Net Interest (Income) / Expense for the year	118.54	91.29

**g) The broad categories of plan assets as a percentage of total plan assets as at 31-03-2019 of Employee's Gratuity Scheme are as under:**

Sr. No.	Particulars	As at 31 March 2019	As at 31 March 2018
1	Central Government Securities	0.00%	0.00%
2	State Government Securities	0.00%	0.00%
3	High quality Corporate bonds	0.00%	0.00%
4	Equity Shares of listed companies	0.00%	0.00%
5	Property	0.00%	0.00%
6	Special Deposit Scheme	0.00%	0.00%
7	Policy of Insurance	100.00%	100.00%
8	Bank Balance	0.00%	0.00%
9	Other Investments	0.00%	0.00%
	<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

### Basis used to determine the overall expected return:

The net interest approach effectively assumes an expected rate of return on plan assets equal to the beginning of the year Discount Rate. Expected return of 7.90% has been used for the valuation purpose.

### h) Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

- 1 Discount rate as at 31-03-2019 - 7.15%
- 2 Expected return on plan assets as at 31-03-2019: 7.15%
- 3 Salary growth rate : For Gratuity Scheme - 8.00%
- 4 The estimates of future salary increase considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

### i) The amounts pertaining to defined benefit plans are as follows:

Particulars	(Rs. In Lakhs)	
	Gratuity Plan (Funded)	Gratuity Plan (Funded)
	As at 31 March 2019	As at 31 March 2018
Defined Benefit Obligation	3,528.41	2,400.44
Plan Assets	(397.90)	(363.49)
Net Liability / (Assets)	3,130.51	2,036.95

### j) General descriptions of defined plans:

#### 1 Gratuity Plan:

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service.

### k) The Company expects to fund Rs.1,172.52/- lakhs towards its gratuity plan in the year 2018-19.

### l) Sensitivity analysis

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligation (PVO). Sensitivity analysis is done by varying (increasing/ decreasing) one parameter by 50 basis points (0.5%)

Sr. No.	Change in assumption	(Rs. In Lakhs)	
		Effect on gratuity obligation Gratuity Plan	Effect on gratuity obligation Gratuity Plan
		31 March 2019	31 March 2018
<b>1</b>	<b>Discount rate</b>		
	Increase by 0.5%	3,425.82	2,331.57
	Decrease by 0.5%	3,637.16	2,473.40
<b>2</b>	<b>Salary increase rate</b>		
	Increase by 0.5%	3,630.65	2,468.99
	Decrease by 0.5%	3,430.17	2,334.24
<b>3</b>	<b>Withdrawal rate</b>		
	Increase by 10%	3,442.01	2,338.84
	Decrease by 10%	3,621.16	2,465.89

m) Particulars	(Rs. In Lakhs)	
	As at 31 March 2019	As at 31 March 2018
Amount of Gratuity in respect of employees of subsidiary companies taken over on account of sale of subsidiaries by the Holding Company	-	16.30

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

## Note 32: Financial risk management policy and objectives

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company is focused on maintaining a strong equity base to ensure independence, security, as well as financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company.

Company's principal financial liabilities, comprise borrowings from banks, trade payables and security deposits. The main purpose of these financial liabilities is to finance Company's operations (short term). Company's principal financial assets include investments, security deposit, trade and other receivables, deposits with banks and cash and cash equivalents, that derive directly from its operations.

Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

### i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings, trade and other payables, security deposit, trade and other receivables, deposits with banks.

The sensitivity analysis in the following sections relate to the position as at 31 March 2019 and 31 March 2018. The sensitivity of the relevant income statement item is the effect of the assumed changes in respective market risks.

The sensitivity analysis have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt are constant at 31 March 2019.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity, other post retirement obligations and provisions Company's activities exposed to interest rate risk.

### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. At the reporting date the interest rate profile of the Company's interest bearing financial instruments are follows:

Particulars	31 March 2019	31 March 2018
Variable rate borrowings		
Term loan from banks	338,732.48	203,579.88
From Others	-	-

The Company is exposed to debt obligations with variable interest rates. Accordingly, interest rate sensitivity disclosure is applicable and disclosed below:

Particulars	2019 (Rs. In Lakhs)	2018 (Rs. In Lakhs)
Impact on profit after tax or equity		
Increase by 70 basis points	(1,550.53)	(931.87)
Decrease by 70 basis points	1,550.53	931.87

### ii) Credit risk

Credit risk on trade receivables and unbilled work-in-progress is limited as the customers of the Company mainly consists of the government promoted entities having a strong credit worthiness. For other customers, the Company uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled work-in-progress. The provision matrix takes into account available external and internal credit risk factors such as credit ratings from credit rating agencies, financial condition, ageing of accounts receivable and the Company's historical experience for customers.

The ageing of trade receivables at the reporting date that were not impaired are as follows :

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Particulars	31 March 2019	31 March 2018
Less than 180 days	125,373.34	151,560.70
More than 180 days	69,738.47	67,090.43

### b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Company monitors rating, credit spreads and financial strength of its counter parties. Company monitors ratings, credit spread and financial strength of its counter parties.

Based on ongoing assessment Company adjust its exposure to various counterparties. Company's maximum exposure to credit risk for the components of balance sheet is the carrying amount as disclosed in Note 6.

### iii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash flow and collateral obligations without incurring unacceptable losses. Company's objective is to, at all time maintain optimum levels of liquidity to meet its cash and collateral requirements. Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing at optimised cost.

The table summarises the maturity profile of group's financial liabilities based on contractual undiscounted payments

#### As at 31 March 2019

Particulars	Carrying amount	1 year	1-3 years	Beyond 3 Years	Total Amount
Interest bearing borrowings	723,258.52	248,647.49	130,343.13	344,267.90	723,258.52
Other Borrowings	17,350.75	9,942.53	7,408.22	-	17,350.75
Other financial liabilities	22,128.62	22,128.62	-	-	22,128.62
Trade Payables	174,111.06	174,111.06	-	-	174,111.06

#### As at 31 March 2018

Particulars	Carrying amount	1 year	1-3 years	Beyond 3 Years	Total Amount
Interest bearing borrowings	484,854.63	190,998.15	87,911.91	205,944.57	484,854.63
Other Borrowings	10,006.92	10,006.92	-	-	10,006.92
Other financial liabilities	15,281.14	15,281.14	-	-	15,281.14
Trade Payables	152,158.64	152,158.64	-	-	152,158.64

#### Note 33: Expenditure in foreign currency

Particulars	(Rs. In Lakhs)	
	For year ended March 31, 2019	For year ended March 31, 2018
Consultancy charges	177.23	1,641.79
Purchase of Materials	2,203.58	1,284.92
Capital Expenditure	3,015.86	31.04
<b>Total</b>	<b>5,396.67</b>	<b>2,957.75</b>

#### Note 34: Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. Company monitors capital using a gearing ratio, which is net debt divided by

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.”

(Rs. In Lakhs)

Particulars	31 March 2019	31 March 2018
Loans and borrowings	740,609.28	494,861.55
Trade payables	-	-
Other financial liability	22,128.62	15,281.14

Less: Cash and cash equivalents	52,109.34	29,455.19
<b>Net debt</b>	<b>710,628.56</b>	<b>480,687.50</b>
Equity	283,479.50	229,046.06
<b>Capital and net debt</b>	<b>994,108.06</b>	<b>709,733.56</b>
Gearing ratio	71.48%	67.73%

### Note 35: Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates/ Joint Ventures

Sr. No.	Name of the Entity	Net Assets*		Share in profit or loss#		Share in Other Comprehensive Income#		Share in Total Comprehensive Income#	
		As % of Consolidated Net Assets	Amount (Rs. in lakhs)	As % of Consolidated Profit or Loss	Amount (Rs. in lakhs)	As % of Consolidated Other Comprehensive Income	Amount (Rs. in lakhs)	As % of Consolidated Total Comprehensive Income	Amount (Rs. in lakhs)
<b>A</b>	<b>Parent</b>								
1	Dilip Buildcon Ltd	88.00%	2,46,920.01	113.40%	62,078.82	100.00%	(109.06)	112.22%	61,969.76
<b>B</b>	<b>Subsidiaries</b>								
<b>I</b>	<b>Indian</b>								
1	Suryavanshi Infrastructure Private Limited	0.25%	702.81	0.48%	260.77	0.00%	-	0.47%	260.77
2	Jalpa Devi Tollways Limited	(0.30%)	(853.49)	(2.10%)	(1,149.76)	0.00%	-	(2.08%)	(1,149.76)
3	DBL Hassan Periyapatna Tollways Limited	2.02%	5,668.07	2.02%	1,103.96	0.00%	-	2.00%	1,103.96
4	DBL Hirekerur Ranibennur Tollways Limited	1.41%	3,945.20	0.85%	467.09	0.00%	-	0.85%	467.09
5	DBL Mundargi Harapanahalli Tollways Limited	1.14%	3,202.54	1.50%	818.62	0.00%	-	1.48%	818.62
6	DBL Lucknow Sultanpur Highways Limited	4.08%	11,446.61	(4.91%)	(2,687.13)	0.00%	-	(4.87%)	(2,687.13)
7	DBL Tuljapur Ausa Highways Limited	0.99%	2,782.14	(0.48%)	(262.76)	0.00%	-	(0.48%)	(262.76)
8	DBL Kalmath Zarap Highways Limited	4.35%	12,194.51	(2.00%)	(1,096.19)	0.00%	-	(1.99%)	(1,096.19)
9	DBL Chandikhole Bhadrak Highways Private Limited	(1.38%)	(3,864.93)	(1.21%)	(659.81)	0.00%	-	(1.19%)	(659.81)
10	DBL Mahagaon Yavatmal Highways Private Limited	3.32%	9,314.82	(0.16%)	(88.29)	0.00%	-	(0.16%)	(88.29)
11	DBL Yavatmal Wardha Highways Private Limited	2.03%	5,685.62	(0.40%)	(216.52)	0.00%	-	(0.39%)	(216.52)
12	DBL Wardha Butibori Highways Private Limited	2.25%	6,313.11	0.61%	334.89	0.00%	-	0.61%	334.89
13	DBL VPR Mining Private Limited	0.02%	49.00	(0.00%)	(1.00)	0.00%	-	(0.00%)	(1.00)
14	DBL Anandapuram Anakapally High Private Limited	(4.95%)	(13,880.78)	(1.68%)	(917.09)	0.00%	-	(1.66%)	(917.09)
15	DBL Bangalore Nigagatta High Private Limited	0.10%	275.34	(1.35%)	(740.82)	0.00%	-	(1.34%)	(740.82)
16	DBL Borgaon Watambare Highway Private Limited	0.01%	37.81	(0.33%)	(178.38)	0.00%	-	(0.32%)	(178.38)
17	DBL Byrapura Challakere High.Private Limited	(1.69%)	(4,748.80)	(0.84%)	(462.07)	0.00%	-	(0.84%)	(462.07)
18	DBL Gorhar Khairatunda High Private Limited	0.08%	236.05	(0.19%)	(106.68)	0.00%	-	(0.19%)	(106.68)
19	DBL Mangalwedha Solapur Hihg. Private Limited	0.02%	42.90	(0.37%)	(204.82)	0.00%	-	(0.37%)	(204.82)

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

Sr. No.	Name of the Entity	Net Assets*		Share in profit or loss#		Share in Other Comprehensive Income#		Share in Total Comprehensive Income#	
		As % of Consolidated Net Assets	Amount (Rs. in lakhs)	As % of Consolidated Profit or Loss	Amount (Rs. in lakhs)	As % of Consolidated Other Comprehensive Income	Amount (Rs. in lakhs)	As % of Consolidated Total Comprehensive Income	Amount (Rs. in lakhs)
20	DBL Manglore Highways Private Limited	0.16%	459.72	(0.59%)	(322.40)	0.00%	-	(0.58%)	(322.40)
21	DBL Nidagatta Mysore Highways Private Limited	0.12%	328.16	(1.31%)	(715.10)	0.00%	-	(1.30%)	(715.10)
22	DBL Rewa Sidhi Highways Private Limited	(1.97%)	(5,517.30)	(1.63%)	(894.12)	0.00%	-	(1.62%)	(894.12)
23	DBL Sangli Borgaon Highways Private Limited	0.01%	32.00	(0.34%)	(184.21)	0.00%	-	(0.33%)	(184.21)
24	DBL Bellary Byrapura Highways Private Limited	0.02%	46.67	(0.61%)	(334.86)	0.00%	-	(0.61%)	(334.86)
25	DBL Pachwara Coal Mine Private Limited	0.01%	21.29	(0.03%)	(18.14)	0.00%	-	(0.03%)	(18.14)
26	Bhavya Infra & Systems Private Limited	0.17%	469.38	0.01%	3.41	0.00%	-	0.01%	3.41
27	Jalpa Devi Engineering Private Limited	1.79%	5,030.12	(0.64%)	(351.45)	0.00%	-	(0.64%)	(351.45)
28	DBL Hata Dargawon Tollways Limited	(0.05%)	(138.82)	(0.05%)	(28.35)	0.00%	-	(0.05%)	(28.35)
29	DBL Patan Rehli Tollways Limited	(0.04%)	(105.78)	2.17%	1,187.25	0.00%	-	2.15%	1,187.25
30	DBL Betul Sarni Tollways Limited	(1.79%)	(5,024.20)	(1.17%)	(642.62)	0.00%	-	(1.16%)	(642.62)
31	DBL Tikamgarh Nowgaon Tollways Limited	(0.17%)	(472.61)	1.76%	962.15	0.00%	-	1.74%	962.15
	<b>Total (a)</b>	<b>100.00%</b>	<b>2,80,597.18</b>	<b>100.38%</b>	<b>54,954.40</b>	<b>100.00%</b>	<b>-109.06</b>	<b>97.58%</b>	<b>54,845.34</b>
<b>C</b>	<b>Non Controlling Interest in all subsidiaries</b>	<b>(1.03%)</b>	<b>(2,882.23)</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>
<b>II</b>	<b>Foreign</b>	-	-	-	-	-	-	-	-
<b>III</b>	<b>Associates (Investment as per equity method)</b>								
	Indian								
1	DBL Ashoknagar-Vidisha Tollways Limited	-	-	(0.10%)	(54.06)	0.00%	-	(0.10%)	(54.06)
2	DBL Nadiad Modasa Tollways Limited	-	-	0.78%	428.37	0.00%	-	0.78%	428.37
	<b>Total (b)</b>	-	-	<b>0.68%</b>	<b>374.31</b>	-	-	<b>0.68%</b>	<b>374.31</b>
	<b>Total (a + b)</b>	<b>100.00%</b>	<b>2,80,597.18</b>	<b>101.07%</b>	<b>55,328.71</b>	<b>100.00%</b>	<b>-109.06</b>	<b>98.26%</b>	<b>55,219.65</b>
	Adjustment arising out of consolidation				(584.18)				(584.18)
	<b>Total</b>				<b>54,744.53</b>				<b>54,635.47</b>

\* Net Assets are Calculated as Total Assets less Total Liabilities

# Share in profit is shown as Profit after Tax

### Note 36: Segment Reporting

- A Segments have been identified in accordance with Indian Accounting Standards (Ind AS) 108 on Operating Segments considering the risk or return profiles of the business. As required under Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the performance and allocates resources based on analysis of various performance indicators. Accordingly, information has been presented for the Group's operating segments
- B The Group has two business Segments :
- EPC Projects : Construction /Development of Infrastructure Project
  - Toll operations : Maintenance of Road Infrastructure & Toll Operations governed by the Concession agreements entered with the principals.
- C Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis.

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

D Assets and Liabilities that cannot be allocated between the segments are shown as a part of unallocated corporate assets and liabilities respectively

(Rs. In Lakhs)

Sr. No.	Particulars	EPC Projects		Road Infrastructure Maintenance & Toll		Total	
		Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018	Year ended 31 March 2019	Year ended 31 March 2018
<b>A</b>	<b>Revenue</b>						
1	Revenue from External Customers	9,09,115.49	7,70,304.98	15,543.93	13,305.55	9,24,659.42	7,83,610.53
2	Other Operating income	2,706.44	4,282.71	14,218.44	5,854.69	16,924.88	10,137.39
3	Inter-segment Revenue	-	-	-	-	-	-
	<b>Total Revenue From Operations</b>	<b>9,11,821.93</b>	<b>7,74,587.69</b>	<b>29,762.37</b>	<b>19,160.24</b>	<b>9,41,584.30</b>	<b>7,93,747.92</b>
3	Other Income	4,638.90	1,551.86	92.27	168.69	4,731.17	1,720.55
	<b>Total Revenue</b>	<b>9,16,460.83</b>	<b>7,76,139.54</b>	<b>29,854.64</b>	<b>19,328.93</b>	<b>9,46,315.47</b>	<b>7,95,468.47</b>
<b>B</b>	<b>Expenses</b>						
1	Total External Expenses	8,36,390.64	7,08,247.00	52,101.46	26,478.64	8,88,492.10	7,34,725.65
2	Inter-segment Expense	-	-	-	-	-	-
	<b>Total Expenses</b>	<b>8,36,390.64</b>	<b>7,08,247.00</b>	<b>52,101.46</b>	<b>26,478.64</b>	<b>8,88,492.10</b>	<b>7,34,725.65</b>
<b>C</b>	<b>Results</b>	<b>80,070.18</b>	<b>67,892.54</b>	<b>(22,246.82)</b>	<b>(7,149.71)</b>	<b>57,823.36</b>	<b>60,742.82</b>
	Profit Before Exceptional items and Tax					57,823.36	60,742.82
	Add : Exceptional items					(157.60)	2,379.25
	<b>Profit Before Tax</b>					<b>57,665.76</b>	<b>63,122.07</b>
	Less : Tax Expense						
	(I) Current Tax					12,974.60	1,277.32
	(II) Deferred Tax					(9,679.16)	4,842.15
	Add : Share of profit of associates					374.31	761.77
	<b>Net Profit</b>					<b>54,744.63</b>	<b>57,764.37</b>
<b>D</b>	<b>Other Information</b>						
1	Segment Assets	10,90,664.77	8,72,101.92	6,36,702.45	3,78,574.11	17,27,367.22	12,50,676.03
	Unallocated Corporate Assets					-	-
	Intersegment Assets					2,83,491.30	1,93,140.56
	<b>Total Assets</b>	<b>10,90,664.77</b>	<b>8,72,101.92</b>	<b>6,36,702.45</b>	<b>3,78,574.11</b>	<b>14,43,875.92</b>	<b>10,57,535.48</b>
2	Segment Liabilities	7,70,222.64	6,26,395.86	5,96,179.03	3,46,203.07	13,66,401.67	9,72,598.93
	Unallocated Corporate Liabilities					-	-
	Intersegment Liabilities					2,06,005.26	1,44,109.53
	<b>Total Liabilities</b>	<b>7,70,222.64</b>	<b>6,26,395.86</b>	<b>5,96,179.03</b>	<b>3,46,203.07</b>	<b>11,60,396.41</b>	<b>8,28,489.40</b>
3	Cost to acquire Tangible & Intangible Fixed Assets	57,157.66	45,706.19	4,85,083.93	1,27,619.19	5,42,241.60	1,73,325.38
4	Depreciation & Amortisation Expense	32,018.75	27,495.46	4,200.75	1,700.93	36,219.50	29,196.39
	Unallocated Depreciation & Amortisation Expense	-	-	-	-	-	-
5	Non cash expenses other than depreciation and by business segment	11,700.00	8,556.77	2,879.07	-	14,579.07	8,556.77

### Note 37: Disclosure of Creditors outstanding under MSMED Act, 2006

Disclosure of sundry creditors under current liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the “Micro, Small and Medium Enterprises Development Act, 2006” (the Act). There are no delays in payment made to such suppliers and there is no overdue amount outstanding as at the Balance sheet date. Relevant disclosures as required under the Act are as follows:

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

(Rs. In Lakhs)

Sr. No.	Particulars	31 March 2019	31 March 2018
a)	i) Principal amount remaining unpaid to supplier under the MSMED Act 2006	3,511.46	133.72
	ii) Interest on a) (i) above	Nil	Nil
b)	i) Amount of Principal paid beyond the appointed Date	Nil	Nil
	ii) Amount of interest paid beyond the appointed date (as per Section 16 of the said Act)	Nil	Nil
c)	Amount of Interest due and payable for the year of delay in making payment, but without adding the interest specified under section 16 of the said Act	Nil	Nil
d)	Amount of Interest accrued and due	Nil	Nil
e)	Amount of further interest remaining due and payable Even in succeeding years	Nil	Nil

**Note 38:** The Company has taken certain Premises/Fixed assets under lease, leave and license agreements for the year which generally range between 11 months to 3 years. These arrangements are renewable by mutual consent on mutually agreed terms. The total lease rent and office rent payments amounting to Rs. 9,677.82/- Lakhs (P.Y. Rs. 6,304.92/- Lakhs) has been charged to Statement of Profit and Loss as Lease Rent Expense under Note No. 19 and Office Rent under Note No. 23. Also the company has entered into operating lease arrangement for equipments during the current year. Expenses for equipment leasing payments in respect of these equipments as on 31 March 2019 is as below:

Particulars	31 March 2019	31 March 2018
Due not later than one year	4,042.43	4,663.26
Due later than one year but not later than five years	2,458.20	7,002.98
<b>Total</b>	<b>6,500.63</b>	<b>11,666.24</b>

**Note 39:** Balances of Debtors, Creditors, Advances, Deposits, and Unsecured Loans etc are subject to confirmation and reconciliation.

**Note 40:** In opinion of the Board of Directors of the company, the Current Assets, Loans and Advances are expected to be realized approximately at the value at which they are stated in the accounts in the ordinary course of business.

**Note 41:** There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at 31st March 2019.

**Note 42:** Royalty on use of construction material is determined by the concerned authorities and the amount of Royalty payable as at year end has not been ascertained in absence of necessary confirmation from the said authorities and the management does not consider the same to be substantial and material.

### Note 43:

- The company had signed indicative Term sheet with a party on August 24, 2017 in respect of 24 subsidiaries for divestment of its entire stake. The Share acquisition cum shareholders agreement in respect of these 24 subsidiaries was entered into in March 2018.
- During the year ended 31 March 2019, the Company has sold 15% shares (in addition to 70% shares sold in previous year) in respect of its seven associates and 4% shares (in addition to 70% shares sold in previous year) in respect of one associate. The Company has incurred a loss of Rs. 157.60 lakhs (previous year - Rs. 2,379.25/- lakhs netted off) on transfer of shares which has been reflected as Exceptional item in the statement of profit and loss. During the previous year, the company had sold 70% shares in respect of one subsidiary and 48.90% shares in respect of another subsidiary. The Balance shareholding in these ten companies will be transferred on fulfillment of the conditions as specified in the Share acquisition cum shareholders agreement. The investment in these companies is disclosed in accordance with provisions of Ind AS 105 Non-current Assets held for sale and Discontinued Operations.
- Consequent to the transfer of shares as mentioned in Note 43b, investment in seven companies (shown as associate companies in previous year) have not been considered for the purpose of consolidation as at year end and thus the consolidated results for the year ended 31 March 2019 would not be comparable with the results of consolidated results for the year ended 31 March 2018 to that extent.

# Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

**Note 44:** As per provisions of the Companies Act, 2013 the Company was required to spend Rs.858.00/- lakhs (P.Y. Rs. 531.71/- lakhs) on CSR activities during the preceding year. The Company had incurred expenditure relating to CSR activities amounting to Rs.107.94/- lakhs (P.Y. Rs. 233.66/- lakhs) and the same is reflected in Other Expenses in Note 23.

**Note 45:** As per Rule 18(7) of the Companies (Share Capital and Debentures ) Rules, 2014, the company has to create a Debenture Redemption Reserve for the purpose of redemption of debentures at the rate of 25% of the value of the outstanding debentures.

The value of outstanding debenture being Rs. 60,000/- lakhs at year ending March 2018, the debenture redemption reserve of Rs.15,000/- lakhs has been created and the equivalent amount has been transferred from 'Retained Earnings' to 'Debenture Redemption Reserve.'

## **Note 46: Disclosure as per Ind AS 115 - Revenue from Contract with Customers**

### **(a) Contract with Customers**

- The company has recognized Rs. 9,38,775.51/- lakhs as revenue from Contracts with customers during the year.
- There are no impairment losses recognized on any receivables or contract assets arising from contracts with customers.

### **(b) Disaggregation of Revenue**

- Disaggregation of revenue in to Operating Segments and Geographical areas for the year ended March 31, 2019:

Segment	Revenue as per Ind AS 115		
	Domestic	Foreign	Total
EPC Projects	9,09,115.49	-	9,09,115.49
Road Infrastructure Maintenance & Toll Operations	29,660.02	-	29,660.02
<b>Total</b>	<b>9,38,775.51</b>	<b>-</b>	<b>9,38,775.51</b>
Revenue recognized Overtime			9,29,243.40
Revenue recognized at a Point in time			9,532.11
<b>Total</b>			<b>9,38,775.51</b>

### **(c) Contract Balances and Trade Receivables**

#### **(i) Contract Balances**

- Revenue recognised during the year from opening balance of contract liabilities amounts to Rs. 59,721.65/- lakhs. Revenue recognised during the year from the change of scope, utility shifting, escalation and Operation and Maintenance amounts to Rs. 81,750.56/- lakhs.
- Changes in Contract Assets and Contract Liabilities are on account of transaction undertaken in the normal course of business. On account of adoption of Ind AS 115, unbilled revenue of Rs. 44,674.00/- Lakhs as at March 31, 2019 has been classified as part of other current asset.

#### **(ii) Trade Receivables**

- The company classifies the right to consideration in exchange for deliverables as either a receivables or as Unbilled Revenue.
- A receivable is a right to consideration that is unconditional upon passage of time.
- Revenue for construction contracts is recognised in profit or loss in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to surveys of work performed. Otherwise, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable and Revenue from Toll is recognized on receipt basis.
- Revenue in excess of billings is recognized as Unbilled revenue and is classified as Financial Asset for these cases as right to consideration is unconditional upon passage of time.
- Trade receivables and Unbilled revenue are presented net of impairment (if any) in the Balance Sheet.
- During the year ended 31st March 2019, Rs. 23,272.61/- Lakhs of opening unbilled revenue has been reclassified to Trade Receivables upon billing to customers on completion of milestone.

#### **(d) Performance obligations**

- The company has applied the practical expedient as provided in Ind AS 115 and excluded the disclosure relating to remaining performance obligation for:

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2019

- i. contracts where the original expected duration is one year or less
- ii. Contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date. Typically this involves those contracts where invoicing is on time and material basis.

Remaining performance obligation estimates are subject to change and are affected by several factors such as terminations, changes in the scope of contracts, periodic revalidation of estimates and other macro economic factors.

The aggregate amount of transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at March 31, 2019, after considering the practical expedient mentioned above is Rs.21,17,179.19/- lakhs out of which 50% is expected to be recognized as revenue within the next one year and the balance thereafter.

**Note 47:** Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities as required by Ind AS 7 "Statement of Cash Flows" is as under:

(Rs. In Lakhs)		
Particulars	Long Term Borrowings	Short Term Borrowings
<b>Balance as on 31 March 2017</b>	<b>2,68,552.54</b>	<b>1,50,800.03</b>
Add : Cash inflow	2,94,344.04	17,27,359.66
Less : Cash outflow	1,92,916.20	16,98,374.32
Add : Non - Cash inflow	26,356.87	-
Less : Non - Cash outflow	81,261.07	-
<b>Balance as on 31 March 2018</b>	<b>3,15,076.18</b>	<b>1,79,785.37</b>
Add : Cash inflow	2,95,924.19	19,28,713.37
Less : Cash outflow	82,753.37	18,95,485.66
Add : Non - Cash inflow	154.88	-
Less : Non - Cash outflow	805.69	-
<b>Balance as on 31 March 2019</b>	<b>5,27,596.19</b>	<b>2,13,013.08</b>

**Note 48:** Figures relating to previous years have been regrouped / rearranged, wherever necessary.

### Signature to Notes

**For MUKUND M CHITALE & CO.**  
Chartered Accountants  
Firm Regn. No. 106655W

**For MSG & ASSOCIATES.**  
Chartered Accountants  
Firm Regn. No. 010254C

### For & on behalf of the Board

**(Dilip Suryavanshi)**  
Managing Director  
DIN: 00039944

**(Devendra Jain)**  
CEO and Whole-time Director  
DIN: 02374610

**(S. M. Chitale)**  
Partner  
M.No. 111383

**(Geeta Rajani)**  
Partner  
M.No. 076889

**(Satish Chandra Pandey)**  
Director  
DIN: 07072768

**(Radhey Shyam Garg)**  
Chief Financial Officer

**(Abhishek Shrivastava)**  
Company Secretary

Place: Bhopal  
Dated : 10.05.2019

Place: Bhopal  
Dated : 10.05.2019

Place: Bhopal  
Dated : 10.05.2019

**Form no AOC -1**  
**(Pursuant to first proviso to sub-section (3) Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)**  
**Statement containing Salient features of the financial statement of Subsidiaries / Associates / Joint Ventures as per the Companies Act 2013**

Sr. No.	Name of the subsidiary Company	Reporting currency and exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	(Rs. in Lakhs)	
												Proposed Dividend	% of share-holding
1	DBL Betul Sami Tollways Limited	NA	166.08	1,483.60	25,742.59	25,742.59	NA	3,366.26	(109.21)	533.40	(642.62)		100%
2	DBL Tikamgarh Nowgaon Tollways Limited	NA	84.85	2,042.54	12,291.16	12,291.16	NA	2,547.96	687.12	239.35	447.76		100%
3	Suryavanshi Infrastructure Private Limited	NA	8.68	1,341.43	3,848.20	3,848.20	NA	411.72	174.38	(78.52)	252.90		100%
4	DBL Hata-Dargawon Tollways Limited	NA	7.98	1,208.24	9,705.90	9,705.90	NA	1,383.52	78.78	171.80	(93.02)		100%
5	DBL Patan-Rehli Tollways Limited	NA	10.10	3,384.13	25,413.23	25,413.23	NA	4,026.40	485.54	(323.51)	809.05		51.01%
6	Jalpa Devi Tollways Limited	NA	418.08	20,126.65	86,633.22	86,633.22	NA	9,057.86	(896.82)	252.94	(1,149.76)		100%
7	DBL Mundargi Harapanahalli Tollways Limited	NA	10.57	562.37	12,612.88	12,612.88	NA	1,678.07	20.05	(798.67)	818.72		100%
8	DBL Hassan Peripatmatollways Limited	NA	8.72	472.39	21,110.54	21,110.54	NA	2,424.82	198.44	(905.52)	1,103.96		100%
9	DBL Hirekurur Ranibennur Tollways Limited	NA	11.98	103.70	15,012.95	15,012.95	NA	1,844.91	(234.52)	(701.61)	467.09		100%
10	DBL Lucknow Sultanpur Highways Limited	NA	209.96	(2,524.57)	1,07,249.99	1,07,249.99	NA	90,301.46	(6,737.73)	756.02	(7,493.75)		100%
11	DBL Kalmath Zarap Highways Limited	NA	5.00	(2,120.01)	42,777.16	42,777.16	NA	46,533.03	(1,787.38)	132.06	(1,919.44)		100%
12	Jalpa Devi Engineering Private Limited	NA	5.00	(392.89)	5,330.65	5,330.65	NA	0.29	(383.04)	(0.03)	(383.01)		100%
13	DBL Tuljapur Ausa Highways Limited	NA	13.80	664.84	32,518.81	32,518.81	NA	35,445.38	(1,780.76)	24.25	(1,805.01)		51%
14	Bhavya Infra & Systems Private Limited	NA	29.59	(83.27)	567.85	567.85	NA	187.63	12.83	9.44	3.39		100%
15	DBL Yavatmal Wardha Private Limited	NA	10.00	(2,642.62)	40,825.56	40,825.56	NA	62,101.22	(2,213.25)	-	(2,213.25)		100%
16	DBL Mahagaon Yavatmal Highways Private Limited	NA	10.97	(1,101.02)	33,268.10	33,268.10	NA	63,766.67	(1,453.26)	-	(1,453.26)		100%
17	DBL Wardha Butibori Highways Private Limited	NA	10.00	(2,285.93)	35,575.84	35,575.84	NA	59,690.02	(1,856.81)	-	(1,856.81)		100%
18	DBL - VPR Mining private Limited	NA	1.00	(1.12)	50.91	50.91	NA	NA	(1.12)	-	(1.12)		100%
19	DBL Chandikhole Bhadrak Highways Private Limited	NA	39.53	5,409.57	33,972.27	33,972.27	NA	15,105.75	(659.90)	-	(659.90)		100%
20	DBL Anandapuram Anakapalli Highways Private Limited	NA	39.98	9,304.15	44,932.40	44,932.40	NA	25,257.80	(1,665.92)	-	(1,665.92)		100%

Sr. No.	Name of the subsidiary Company	Reporting currency and exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
21	DBL Bangalore Nidagatta Highways Private Limited	NA	5.00	(740.90)	295.54	295.54	NA	29.59	(740.90)	-	(740.90)		100%
22	DBL Gorhar Khairatunda Highways Private Limited	NA	5.00	(106.68)	245.76	245.76	NA	NA	(106.68)	-	(106.68)		100%
23	DBL Nidagatta Mysore Highways Private Limited	NA	5.00	(715.09)	356.74	356.74	NA	880.56	(715.09)	-	(715.09)		100%
24	DBL Rewa Sidhi Highways Private Limited	NA	15.96	3,619.93	25,815.88	25,815.88	NA	11,682.57	(894.12)	-	(894.12)		100%
25	DBL Byrapura Challakere Highways Private Limited	NA	73.01	3,524.93	19,702.36	19,702.36	NA	11,993.27	(462.07)	-	(462.07)		100%
26	DBL Mangloor Highways Private Limited	NA	5.00	(322.40)	593.72	593.72	NA	NA	(322.40)	-	(322.40)		100%
27	DBL Sangli Bargaon Highways Private Limited	NA	5.00	(184.21)	37.68	37.68	NA	NA	(184.21)	-	(184.21)		100%
28	DBL Bargaon Watambare Highways Private Limited	NA	5.00	(178.38)	53.70	53.70	NA	NA	(178.38)	-	(178.38)		100%
29	DBL Mangalwedha Solapur Highways Private Limited	NA	5.00	(204.82)	50.18	50.18	NA	NA	(204.82)	-	(204.82)		100%
30	DBL Bellary Byrapura Highways Private Limited	NA	5.00	(334.86)	62.61	62.61	NA	NA	(334.86)	-	(334.86)		100%
31	DBL Pachwara Coal Mines Private Limited	NA	1.00	(18.14)	34.45	34.45	NA	NA	(18.14)	-	(18.14)		100%

**Names of the subsidiaries which are yet to commence operations :**

<b>Sr. No.</b>	<b>Name of the Companies</b>
1	Jalpa Devi Engineering Private Limited
2	DBL- VPR Mining private Limited
3	DBL Bangalore Nidagatta Highways Private Limited
4	DBL Gorhar Khairatunda Highways Private Limited
5	DBL Mangloor Highways Private Limited
6	DBL Sangli Bargaon Highways Private Limited
7	DBL Bargaon Watambare Highways Private Limited
8	DBL Mangalwedha Solapur Highways Private Limited
9	DBL Bellary Byrapura Highways Private Limited
10	DBL Pachwara Coal Mines Private Limited

**Name of the subsidiary which have been liquidated during the year :**

<b>Sr. No.</b>	<b>Name of the Companies</b>
1	NA

**Part “B” : Associates and Joint Ventures**

**(Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures)**

<b>Sr. No.</b>	<b>Name of the Associates and Joint Ventures</b>	<b>Latest audited Balance Sheet Date</b>	<b>Shares of Associate/Joint Ventures held by the Company on the year end: No. : Amount of Investment in Associate / Joint Venture : Extend of Holding %</b>	<b>Description of how there is significant influence</b>	<b>Reason why the associate/joint venture is not consolidated</b>	<b>Net worth attributable to shareholding as per latest audited Balance Sheet</b>	<b>Profit or Loss for the year considered in Consolidation</b>
1	DBL Ashok Nagar Vidisha Tollways Limited	03/05/2019	30.01%	N.A.		1,495.38	(180.19)
2	DBL Nadiad Modasa Tollways Limited	08/05/2019	26.00%	N.A.		4,993.17	1,949.17

**For MUKUND M CHITALE & CO.**  
Chartered Accountants  
Firm Regn. No. 106655W

**For MSG & ASSOCIATES.**  
Chartered Accountants  
Firm Regn. No. 010254C

**For & on behalf of the Board**

**(Dilip Suryavanshi)**  
Managing Director  
DIN: 00039944

**(Devendra Jain)**  
CEO and Whole-time Director  
DIN: 02374610

**(S. M. Chitale)**  
Partner  
M.No. 111383

**(Geeta Rajani)**  
Partner  
M.No. 076889

**(Satish Chandra Pandey)**  
Director  
DIN: 07072768

**(Radhey Shyam Garg)**  
Chief Financial Officer

**(Abhishek Shrivastava)**  
Company Secretary

Place: Bhopal  
Dated : 10.05.2019

Place: Bhopal  
Dated : 10.05.2019

Place: Bhopal  
Dated : 10.05.2019

**DILIP BUILDCON LIMITED**  
**CIN: L45201MP2006PLC018689**

**Regd. Office:** Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal 462 016, Madhya Pradesh,  
**Tel No.:** +91 755 -4029999; **Fax No.:** +91 755- 4029998  
**Website:** www.dilipbuildcon.com, **Email Id:** db@dilipbuildcon.co.in

**ATTENDANCE SLIP**  
**13<sup>TH</sup> ANNUAL GENERAL MEETING**  
**(PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL)**  
**Joint shareholders may obtain additional Slip at the venue of the meeting**

<b>Registered Folio No. / DP ID No./Client ID No.</b>	
<b>Name and Address of the Member(s)</b>	
<b>Joint Holder 1</b>	
<b>Joint Holder 2</b>	

I/We hereby record my/our presence at the 13<sup>th</sup> Annual General Meeting of the Company held at Kwaliti's Motel Shiraz, Service Road, Board Office Square, Shivaji Nagar, Bhopal, Madhya Pradesh 462011 on Tuesday, September 17, 2019 at 11.00 a.m., Bhopal, Madhya Pradesh.

.....  
Member's/Proxy's name in Block Letters

.....  
Member's/Proxy's Signature

-----  
In respect of Remote E-voting please note the following:

<b>EVEN (e-Voting Event No.)</b>	<b>111396</b>
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**Note:**

Please read the instructions printed under the Note No. "s" to the Notice of 13<sup>th</sup> Annual General Meeting dated September 17, 2019.

The remote e-voting commences on Saturday, September 14, 2019 (9.00 a.m. IST) and ends on Monday, September 16, (05.00 p.m. IST). The remote e-voting module shall be disabled by NSDL for voting thereafter.

**DILIP BUILDCON LIMITED**  
**CIN: L45201MP2006PLC018689**

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**Tel No.:** +91 755 4029999; **Fax:** +91 755 4029998  
**Website:** www.dilipbuildcon.com, **Email Id:** db@dilipbuildcon.co.in

**13<sup>TH</sup> ANNUAL GENERAL MEETING**  
**FORM 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	L45201MP2006PLC018689
Name of the company	DILIP BUILDCON LIMITED
Registered office	Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal 462 016, Madhya Pradesh

Name of the Member(s) :  
Registered Address :  
E-mail ID :  
DP ID : ..... Folio No./ Client ID:.....

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

1. Name : .....  
Address : .....  
Email Id : .....  
Signature : ....., or failing him/her
2. Name : .....  
Address : .....  
Email Id : .....  
Signature : ....., or failing him/her
3. Name : .....  
Address : .....  
Email Id : .....  
Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 13<sup>th</sup> Annual General Meeting of the Company to be held at Kwality's Motel Shiraz, Service Road, Board Office Square, Shivaji Nagar, Bhopal - 462011, Madhya Pradesh on Tuesday, September 17, 2019 at 11.00 a.m and at any adjournment thereof in respect of such resolutions as are indicated below:

SR. No.	RESOLUTIONS
<b>Ordinary Business:</b>	
1	<b>Ordinary Resolution:</b>
a)	Adoption of the Audited IndAS Financial Statements of the Company for the Financial Year ended March 31, 2019 and the Reports of the Board and Auditors thereon.
b)	Adoption of the Audited IndAS Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2019 together with the Report of the Auditors thereon.
2	<b>Ordinary Resolution:</b> Declaration of Dividend on equity shares for the financial year ended March 31, 2019.
3	<b>Ordinary Resolution:</b> Re-appointment of Mrs. Seema Suryavanshi (DIN:00039946), who retires by rotation.
4	<b>Ordinary Resolution:</b> Re-appointment of M/S Mukund M. Chitale & Co., Chartered Accountants, Mumbai as Joint Statutory Auditor of the Company for a second consecutive term of three year and authority to fix remuneration.
<b>Special Business:</b>	
5	<b>Ordinary Resolution:</b> Appointment of Ms. Ratna Dharashree Vishwanathan (DIN: 07278291), as Woman Director in the category of an Independent Director of the Company.
6	<b>Ordinary Resolution:</b> Fixation of the remuneration of M/s Yogesh Chourasia & Associates, Cost Accountants, Bhopal, Cost Auditor of the Company for the Financial Year 2019-20.
7	<b>Special Resolution:</b> Re-appointment of Mr. Satish Chandra Pandey (DIN: 07072768) for second consecutive term of 5 (five) years w.e.f. January 23, 2020 to January 22, 2025.
8	<b>Special Resolution:</b> Issuance of Non-Convertible Debentures on Private Placement basis.
9	<b>Special Resolution:</b> Issuance of Commercial Paper on Private Placement basis.
10	<b>Special Resolution:</b> To authorise the Board of Directors to provide loan/guarantee/security to the Subsidiaries Companies/ Associate Companies/Private Companies/JVs under section 185 of Companies Act, 2013.
11	<b>Ordinary Resolution:</b> To Approve increase in Authorised Share Capital of the Company and alteration in the Memorandum of Association
12	<b>Special Resolution:</b> To approve the Authority to issue Further Shares.
13	<b>Special Resolution :</b> To Approve the Commission payable to Non Executive Directors of the Company.

Signed this ..... day of ....., 2019

Signature of Member .....

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

Affix  
Revenue  
Stamp  
Re.1/-

**Note:**

1. 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 Annual General Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 13<sup>th</sup> Annual General Meeting.

**DILIP BUILDCON LIMITED**  
**CIN: L45201MP2006PLC018689**

Regd. Office: Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal 462 016, Madhya Pradesh  
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Website: www.dilipbuildcon.com, Email id: db@dilipbuildcon.co.in

**Form MGT-12**  
**Polling Paper**

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

CIN	L45201MP2006PLC018689
Name of the Company	<b>DILIP BUILDCON LIMITED</b>
Registered Office	Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal 462 016, Madhya Pradesh
<b>POLLING PAPER</b>	
Name of the Shareholder (s) (in block letters)	
Name of the Joint holder (s), if any	
Postal address	
Class of shares	Equity
Number of shares held	
Registered Folio No/Client Id	
DP ID	

I/We hereby exercise my/ our vote in respect of the Ordinary/ Special Resolution enumerated below, by conveying my/our assent or dissent to the Resolutions by placing a tick (√) mark at the appropriate box:

Item No.	Item Details	No. of shares held by me	I assent to the Resolution	I dissent from the Resolution
1	<b>Ordinary Resolution:</b>			
a)	Adoption of the Audited Ind AS Financial Statements of the Company for the Financial Year ended March 31, 2019 and the Reports of the Board and Auditors thereon.			
b)	Adoption of the Audited Ind AS Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2019 together with the Report of the Auditors thereon.			
2	<b>Ordinary Resolution:</b> Declaration of Dividend on equity shares of Rs. 10/- each for the financial year ended March 31, 2019.			
3	<b>Ordinary Resolution:</b> Re-appointment of Mrs. Seema Suryavanshi (DIN:00039946), who retires by rotation.			
4	<b>Ordinary Resolution:</b> Re-appointment of M/S Mukund M. Chitale & Co., Chartered Accountants, Mumbai as Joint Statutory Auditor of the Company for a second consecutive term of three year and authority to fix remuneration.			

Item No.	Item Details	No. of shares held by me	I assent to the Resolution	I dissent from the Resolution
<b>Special Business:</b>				
5	<b>Ordinary Resolution:</b> Appointment of Ms. Ratna Dharashree Vishwanathan (DIN: 07278291), as Woman Director in the category of an Independent Director of the Company.			
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12	<b>Special Resolution:</b> To approve the Authority to issue Further Shares.			
13	<b>Special Resolution:</b> To Approve the Commission payable to Non Executive Directors of the Company			

Date:  
Place:

.....  
(Signature of Shareholder)





DILIP BUILDCON LIMITED  
INFRASTRUCTURE & BEYOND

**Dilip Buildcon Limited**

Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar  
Road, Bhopal, Madhya Pradesh -462 016

Tel: 0755 -4029999

Fax: 0755 -4029998

Email: [db@dilipbuildcon.co.in](mailto:db@dilipbuildcon.co.in)

CIN: L45201MP2006PLC018689