



**DILIP BUILDCON LIMITED**  
INFRASTRUCTURE & BEYOND

**Date: September 07, 2020**

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 14<sup>th</sup> Annual Report for the financial year ended on March 31, 2020 along with Notice of the 14<sup>th</sup> Annual General Meeting of the Company.**

Dear Sir/Madam,

We wish to inform you that the 14<sup>th</sup> Annual General Meeting (AGM) of the members of Dilip Buildcon Limited is scheduled to be held on Monday, September 28, 2020 at 11.00 a.m. through video conferencing ("VC")/Other Audio Visual Means ("OAVM). In view of the spread of COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide its circulars No. 14/2020, No.17/2020 and No.20/2020 dated April 08, 2020, April 13, 2020 and May 5, 2020 respectively (collectively referred to as "MCA Circulars ") and the Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 ("SEBI Circular"), has allowed for conducting the Annual General Meeting through VC or OAVM without the physical presence of Members at a common venue. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.

Pursuant to Regulation 34 (1) (a) 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, 2020 along with the Notice of 14<sup>th</sup> Annual General Meeting to be held on Monday, September 28, 2020 at 11.00 a.m. .

The abovementioned documents are available on the Company's website at [www.dilipbuildcon.com](http://www.dilipbuildcon.com) and on the weblink of Link Intime India Private Limited (Registrar and Transfer Agent) at <http://instavote.linkintime.co.in>.

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

Yours Sincerely  
For Dilip Buildcon Limited

  
**Abhishek Shrivastava**  
Company Secretary  
Encl: a/a



ISO 9001:2015

CIN No. L45201MP2006PLC018689

**Regd. Office :**

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Chuna Bhatti, Kolar Road, Bhopal - 462 016 (M.P.)  
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**DIVERSIFYING,  
DELIVERING,  
DELEVERAGING IN  
TOUGH LANDSCAPE.**



**DILIP BUILDCON LIMITED**  
INFRASTRUCTURE & BEYOND

**Dilip Buildcon  
Limited**

**Annual Report  
2019-20**





# Annual Report 2019-20

## 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.

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# Diversifying, Delivering, Deleveraging in Tough Landscape

remained below potential and there has been a liquidity crisis in the economy. In all, there have been multiple factors which had created strong headwinds for the sector and Dilip Buildcon Ltd. has not been an exception. However, resilience and adaptability are desirable attributes in these times and this is what differentiates Dilip Buildcon Ltd. The Company stood tall in delivering on its promise in such a challenging environment and fulfilled all its commitments to the stakeholders, including customers, lenders, employees and shareholders.

The pace of change in the twenty-first century has surpassed all previously recorded instances in history and this has led to a rapid rise and fall of business models and companies. While anticipating the specific challenges that any particular company has to encounter is always difficult, we at Dilip Buildcon Limited have been proactive and responsive in dealing with the uncertainties and challenges. When we look back at FY20, we take great pride and satisfaction in the fact that the Dilip Buildcon Limited (DBL) team has been able to deliver and move forward with conviction and courage. During the year, the entire story of Dilip Buildcon Limited (DBL) has been revolving around three different aspects and it is a coincidence that all of them begin with Letter "D".

The first 'D' stands for the Diversified segments and geographies in which the Company has forayed into. This is to make the business model more sustainable, robust and better to withstand shocks emanating

from the macro environment. The growth patterns keep changing in different geographies and different segments and we have to be nimble to identify and benefit from the opportunities. This is a journey that we started a few years ago and today we are proud to get closure and closure to our destination of a diversified order book.

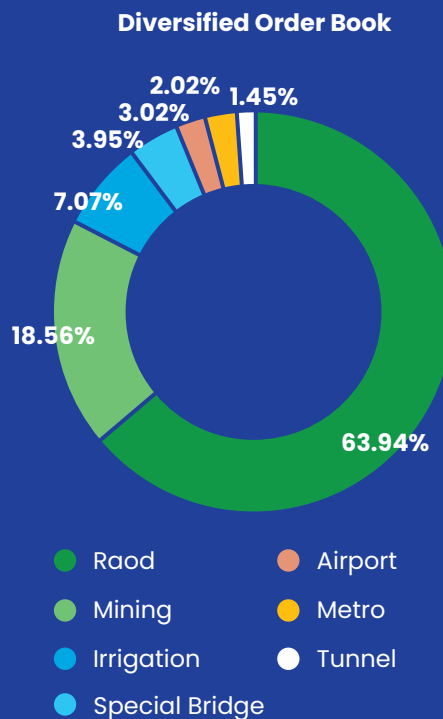
The second 'D' stands for Delivering on operational commitments despite a tough landscape. The execution challenges remain and the order wins are not entirely in our hand because we only believe in capitalizing on opportunities which make business sense. We are not running after growth alone and it is 'profitable growth' in which we believe. Still, our track record in FY20 has been satisfactory and reasonable considering the circumstances. On both new business, segment and execution, we have delivered satisfactorily despite the major challenges that the macro-environment underwent.

The third 'D' stands for Deleveraging of the Company's balance sheet. If you recall, this is in-line with our consistent communication from the recent past in which the Company had committed to reduce the financial leverage below 1x debt to equity. Reducing the financial leverage forms an important part of our conscious efforts and medium to long-term business strategy.

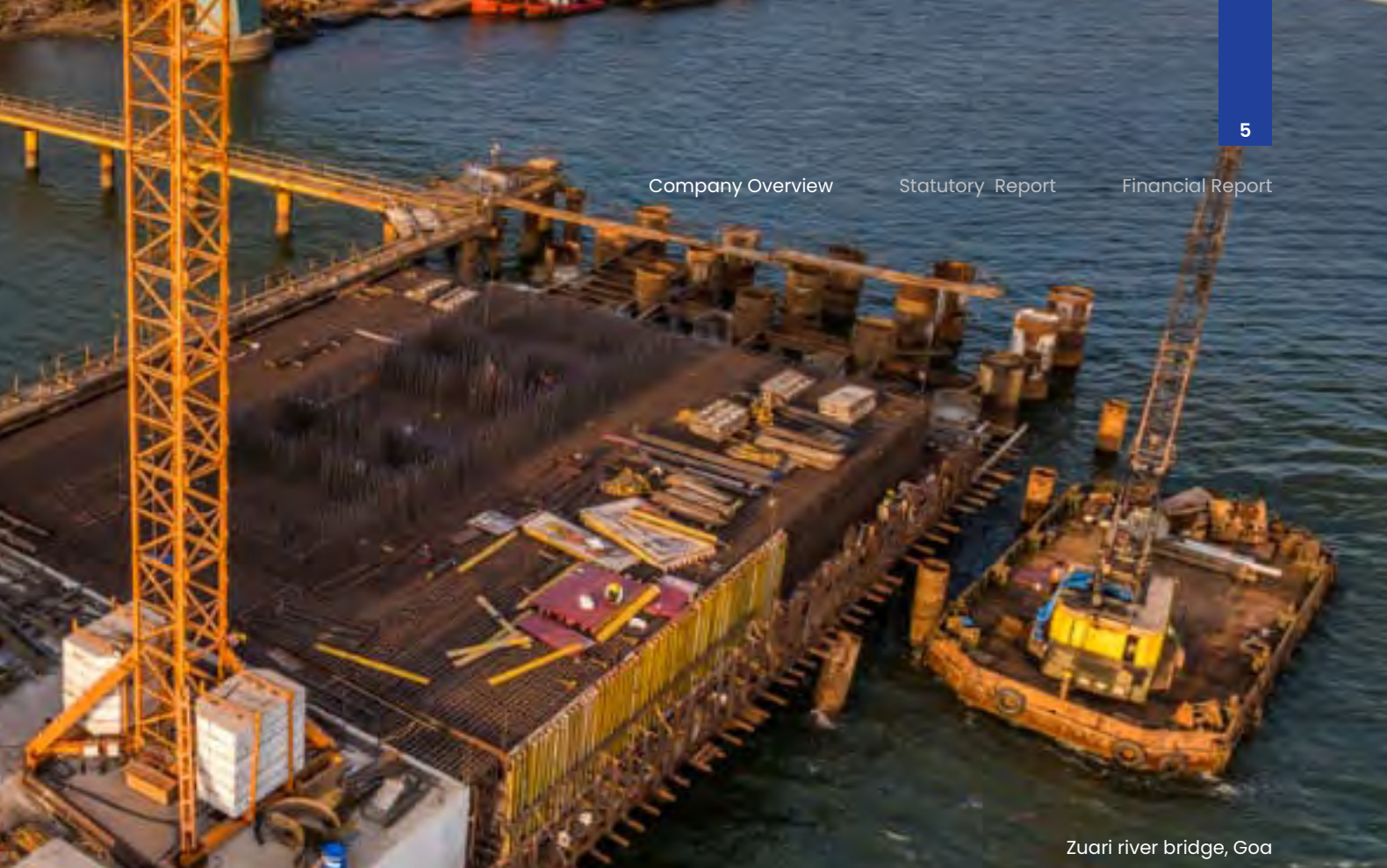
FY20 was a tough year for the entire infrastructure sector. While a significant demand revival was still a mirage, the recovery was sluggish for multiple reasons despite healthy support initiatives and innovative steps from the Central and State Governments. The CAPEX revival has been uneven, GDP growth has

# Diversifying

DBL had started its journey from Bhopal, Madhya Pradesh where it still headquartered. However, today the business has spread all over India, especially over the last couple of decades. At present, the company has its presence in 17 states, covering ~85% of India's geographical spread and in 9 divisions namely Roads, Bridges, Canals, Tunnels, Metros, Airports, Mining, Irrigation and Urban Development. This is a significant achievement for an infrastructure company where the local expertise and understanding of geographical intricacies could 'make or break' a business. But geographic diversification is only half the story. The other and more difficult part is the business segment diversification which requires learning new skills.

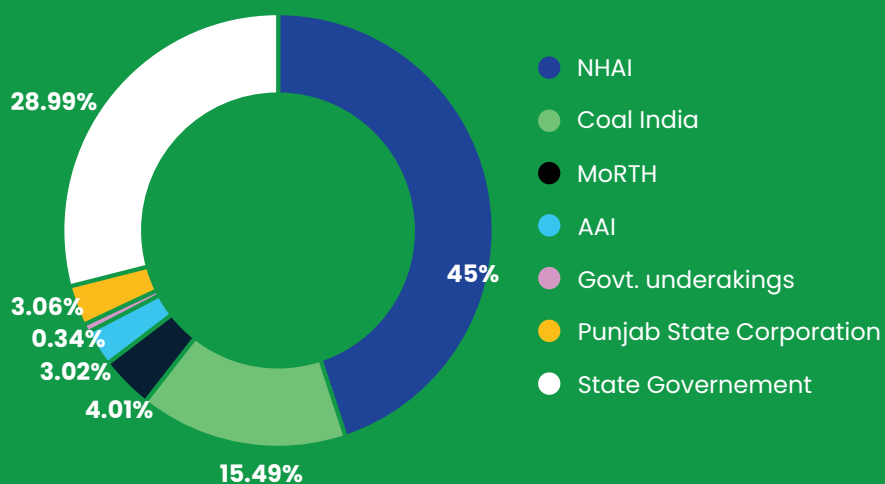


The company went from a building construction company to a road construction company to a full service infrastructure player now. The technical experience is getting richer and with every foray into newer segments, the range of in-house capabilities is continuously expanding. Starting from stone mining to the complete paving & laying of roads, today, the Company executes all tasks in-house with zero subcontracting using technology-driven homegrown processes. The Company will continue to look into newer opportunities and keep diversifying its order book.



Zuari river bridge, Goa

### Client Wise - Order Book



A decade ago, we were sub-contracting for private infrastructure players, which used to form the majority in our order book. Now, government projects form 80% of our order book and there is no sub-contracting to the private players.

This shows that DBL is no more into the private projects and is extremely focused on government biddings while ensuring improved payment visibility. Today, the Company builds ~16% of the total National Highways built per day.





# Delivering

Dilip Buildcon faced several major challenges in FY20. As we know, construction activity gets heavily influenced by the weather. Starting with the first headwind, FY20 is considered as the longest fall of rainfall in recent times which adversely impacted the Company. This led to work getting impacted and delays.

The second major headwind faced

by the Company is pertaining to the delay in receiving appointment date from the NHAI. This led delay in starting certain projects and idleness of man and machines.

The third headwind faced by the Company is due to the global pandemic COVID-19, due to which the central government initiated a nation-wide lockdown and no activity was allowed during the

last few days of FY20. As a result, operations of the Company were hit which continued to the next financial year.

Due to these unprecedented events, the revenue numbers got hit, while the fixed costs remained as they were. The cumulative impact of all these factors is visible on revenue numbers and pressure on margins.



Vijaywada-Machalipatnam Highway, Andhra Pradesh

Even in these challenging times, Dilip Buildcon completed 14 projects worth ₹ 1,05,445 mn in FY20. Out of these, six road projects were completed before the scheduled time and earned an early completion bonus of ₹ 1,282 mn. This shows the excellence in execution and the Company's commitment towards business.

Another major deliverable for the year was the Company generated net cash of ₹ 1,331 mn in FY20 in comparison with ₹ 275 mn in FY19.

After successfully delivering the HAM deal with Shrem group, the Company started to churn its portfolio of 12 HAM projects. Out of these, five projects have been successfully sold to Cube highways and for the remaining 7,

the Company is in talks with few large global financial investors.

DBL has been growing much faster than the growth rate of the industry we operate in. The top line of the Company is more than doubled since it got listed in FY16, while the industry trend is single-digit growth over this frame.



# Deleveraging

We take immense pride to announce that our commitment to bring down the net debt to equity below 1x has been achieved. We are happy to report that Just 4 years ago in FY16 the net debt to equity stood at 2.27 times which now has come down to 0.81x for FY20.

The Company's standalone debt can be divided into two

parts, Working capital debt and Equipment debt. In FY20, DBL had a reasonable net debt of ₹ 29,343 million, and almost half of it was equipment debt. These equipments are a strong source of competitive advantage and hence DBL purchases it on its own.

The greater achievement is in terms of the growth of the scale and size of the business and

how the debt has risen. This is important to address the myth that business growth in the infra sector is in tandem with the growth in financial leverage



Mohanpura Dam-Rajgarh, Madhya Pradesh

### Revenue grown ~3.5x, net debt only 1.5x



In FY15, our revenue was ₹ 26,301 million and the net debt ₹ 19,528 million. For FY20, the revenue and net debt are ₹ 90,151 million and ₹ 29,343 million, respectively. The like-to-like comparison suggests that the revenue has grown by

₹ 63,850 million while the net debt has only grown by ₹ 9,815 million. This clearly shows that growth in the Company is not driven by financial leverage and unsustainable capital structure.

# Corporate Overview

## Vision

To deliver the best solutions to clients, provide complete transparency to DBL stakeholders and broaden activity base by diversifying into other infrastructure disciplines so as to sustain a healthy growth rate.

## Mission

To create a fair and courteous environment for clients, employees, vendors, as well as the society.

India's largest Road construction Company, currently building **16%** of all National highways

Presence across India **17 states** – more than **80%** of landmass of the country

**In-house Execution** – No subcontracting, vertically integrated and technology driven

Largest owner of Construction equipment's **12,833**

Largest employer in construction industry **38,569 employees**

Best in-class project execution  
**~95% projects completed before time**

Revenue growth 10 years  
**CAGR of 44%**

Unique and enviable record of early completion bonus won till now  
**₹ 5,655 mn**



# Timeline

**1987**

Dilip Suryavanshi, a young civil engineer started Dilip Builders as a proprietorship firm with focus on real estate construction

**1994**

The young firm witnesses a healthy growth in its core business over the years, and expands into sewage treatment sector

**1996**

As part of its strategy to improve its profitability and ensure predictable supply of raw materials, the Company does its 1st backward integration by buying its 1st stone crusher

**2009**

After building an enviable reputation for ahead-of-time-execution in its home state, the Company decides to foray outside for the first time and goes to Himachal Pradesh for a World Bank funded road project and earns an early completion bonus of ₹ 130 mn for the same

**2007**

After seeing years of high growth, Dilip Buildcon is born when the proprietorship firm is converted to a private limited company to fulfil the growing ambitions of a young Company

**2001**

The Company sees infrastructure as a sunrise sector and forays into its 1st road construction project

**2010**

The Company continues its expansion pace, winning its first EPC project worth ₹ 10,810 mn in Gujarat and with this the Company forays into its 2nd state

**2012**

As the Company grows more than 100% Y-o-Y, it decides to raise private equity to keep up with its growth plans and raises ₹ 750 mn from Banyan Tree Capital

**2019**

Enters into Tunnels and Metros segments. Revenue grows to more than 120%, since the Company went public 3 years ago

**2020**

Completed 14 projects worth ₹ 1,05,445 mn, which is highest completion in a single year

**2018**

Forays into airport development segment. Total Order book zooms to ₹ 235,000 mn

**2017**

The Company successfully sells its complete portfolio of 24 road assets with a economic value of ₹ 105,000 mn to an investor, making it the single largest road buyout transaction till that time. The Company further expands into specialised bridges by winning the contract for India's 2<sup>nd</sup> largest cable suspension bridge

**2016**

The Company goes public and the issue is oversubscribed by 22 times, making it the most successful EPC issuance in almost a decade

**2014**

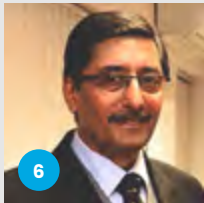
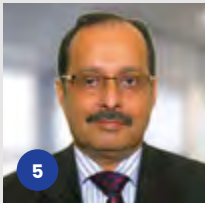
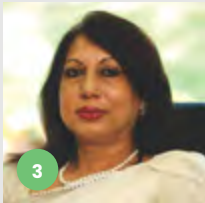
After building roads in multiple geographies, the Company decides to expand into the Irrigation development segment with a focus on dams, canals and water supply projects

**2015**

Continuing with its plan of sector expansion, the Company enters mining segment, where it does over burden removal for the Government of India



# 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 37 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.

## Devendra Jain

Whole-time Director & CEO

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

**Professional Career:**  
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 your Company, he was an assistant professor at Mahatma Gandhi College, Bhopal and Swami Vivekananda Mahavidyalaya. 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.

## 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 your Company.

## Ratna Vishwanathan

Independent Woman & Non-Executive Director

**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 32 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's Degree in Science (Physics)

## Professional Career:

He has over 42 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

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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.

**Satish Chandra Pandey**

Independent &amp; Non-Executive Director

## Qualification:

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

## Professional Career:

In addition to this, he is acting as Chairman of the Audit Committee, Nomination & Remuneration Committee, CSR Committee, Group Governance Committee, Business Responsibility 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 and hold the degree of member Institute of Engineers (M.I.E). He was also Ex-vice president of Indian Road Congress. He has previously worked as Engineer-in-Chief and Secretary with the Public Works Department, Government of Madhya Pradesh. During 38 years of experience and career in Public Work Department his credit of supervising are major roads, bridges, building works including Indore bypass, a project of World Bank.

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**Amogh Kumar Gupta**

Independent &amp; Non-Executive Director

## Qualification:

Master's degree in public health engineering from Maulana Azad

8

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 also been on the board of examination of the Indian Institute of Architects and a council member of the Council of Architecture. Recently he has been appointed as 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.

**Ashwini Verma**

Independent &amp; Non-Executive Director

## Qualification:

Bachelor's degree in civil engineering from the Rajiv Gandhi Pradyogiki 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 Pradyogiki Vishwavidyalaya, Bhopal.

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\*Ceased to be director w.e.f 29<sup>th</sup> May 2020

# LEADERSHIP TEAM



**Bharat Singh**  
President



**Rohan Suryavanshi**  
Head - Strategy &  
Planning



**Karan Suryavanshi**  
Head - Business  
Development

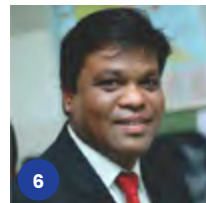
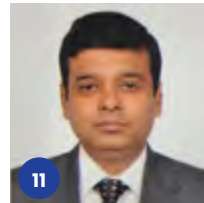
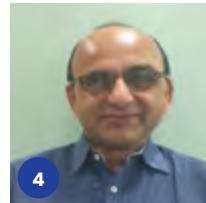
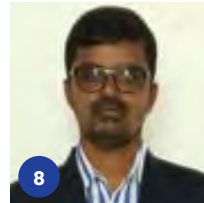
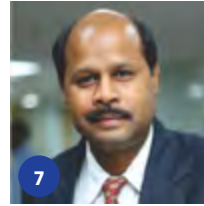


**Radhey Shyam Garg**  
President & CFO



**Abhishek Shrivastava**  
Head CS &  
Compliance Officer

# EXECUTION TEAM





**1 Mohan Tiwari**  
President-Strategic Initiatives

**2 Ajay Kumar Mishra**  
President-Contracts  
Management

**3 Atul Joshi**  
Vice President-Structures

**4 Jay Prakash Mishra**  
Vice President-Highways

**5 Raja Ghosh**  
Associate Vice President-  
Taxation

**6 Nitin Shrivastava**  
Associate Vice President-  
Business Development

**7 Kamalakanta Mahakul**  
Associate Vice President-  
Human Resources

**8 Arun Kumar K**  
Associate Vice President-  
Design & Technical Audit

**9 Ram Bahadur Singh**  
Associate Vice President-  
Mining (Coal)

**10 Ranjit Kumar Singh**  
Associate Vice President-  
Quality Audit

**11 Rahul Kumar Dhandhanian**  
General Manager-Finance

**12 Devendra Goyal**  
General Manager (Accounts)

**13 Nitesh Kumar Sharma**  
General Manager-Billing &  
Planning

**14 Mahanteshagoud Patil**  
General Manager-Billing &  
Planning

**15 B. B. Kameswara Rao**  
General Manager-QA & QC

**16 Badal Chandra Sardar**  
General Manager-Survey &  
Design

**17 Pradeep Harel**  
General Manager-Mechanical  
Maintenance

**18 Gaurav Tiwari**  
General Manager-Mechanical  
Procurement

**19 Virendra Kumar Gupta**  
General Manager-Civil Stores

**20 Anand Pratap Singh**  
General Manager-Hot Mix  
Plant

**21 Kailash Prasad Soni**  
General Manager-RMC Plant

**22 Kamlesh Lodhi**  
General Manager-Stone  
Crusher (Fix)

**23 Neeraj Singh Kushwah**  
General Manager-Stone  
Crusher (Mobile)

**24 Ashok Kumar Gupta**  
General Manager-Contracts  
Management

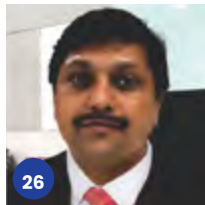
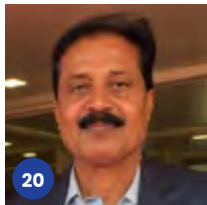
**25 Pradeep Kumar**  
General Manager-Structures

**26 Devesh Sharma**  
General Manager-Legal

**27 Shree Dutta Tiwari**  
General Manager-Contracts  
Management

**28 Pradip Kumar Vishwakarma**  
General Manager-Industrial  
Purchasing

**29 Vimal Sharma**  
Dy General Manager-Stone  
Mines



# 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

### Ms. Ratna Dharashree Vishwanathan

Independent Woman Director  
DIN : 07278291

### Mr. Aditya Vijay Singh

Independent Director  
DIN : 03585519

(Ceased to be director w.e.f May 29, 2020)

### Mr. Ashwini Verma

Independent Director  
DIN : 06939756

### Dr. 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

## Registered 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  
Canara Bank  
IDBI Bank  
Bank of Baroda  
State Bank of India  
Indian Overseas Bank  
Central Bank of India  
UCO Bank  
Bank of Maharashtra  
Bank of India  
Punjab and Sind Bank  
Union Bank of India  
Karnataka Bank Ltd  
The Lakshmi Vilas Bank Limited  
The Jammu & Kashmir Bank Limited  
Indian Bank  
EXIM Bank

## Registrar & Share Transfer Agent

### 1. FOR EQUITY SHARES & LISTED DEBENTURE

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.co.in

### 2. FOR UNLISTED DEBENTURE

Alankit Assignments Limited  
Alankit House, 4E/2, Jhandewalan 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.)

# Awards & Recognitions



DBL bags National Highway Excellence Award for two consecutive years 2018 and 2019 for Excellence in Project (PPP) Management



CNBC Awaaz CEO awards 2019 has been conferred to Dilip Buildcon for "Company of the Year" in the Infrastructure segment



Dilip Buildcon Awarded Dun & Bradstreet Construction Infrastructure Development Awards for two consecutive years 2018 and 2019 (Roads & Highways)



Construction World Global Award 2019 3rd Fastest Growing Construction Company (Large Category)

The Company received fastest growing construction company (Large category) in 2016 and 2018



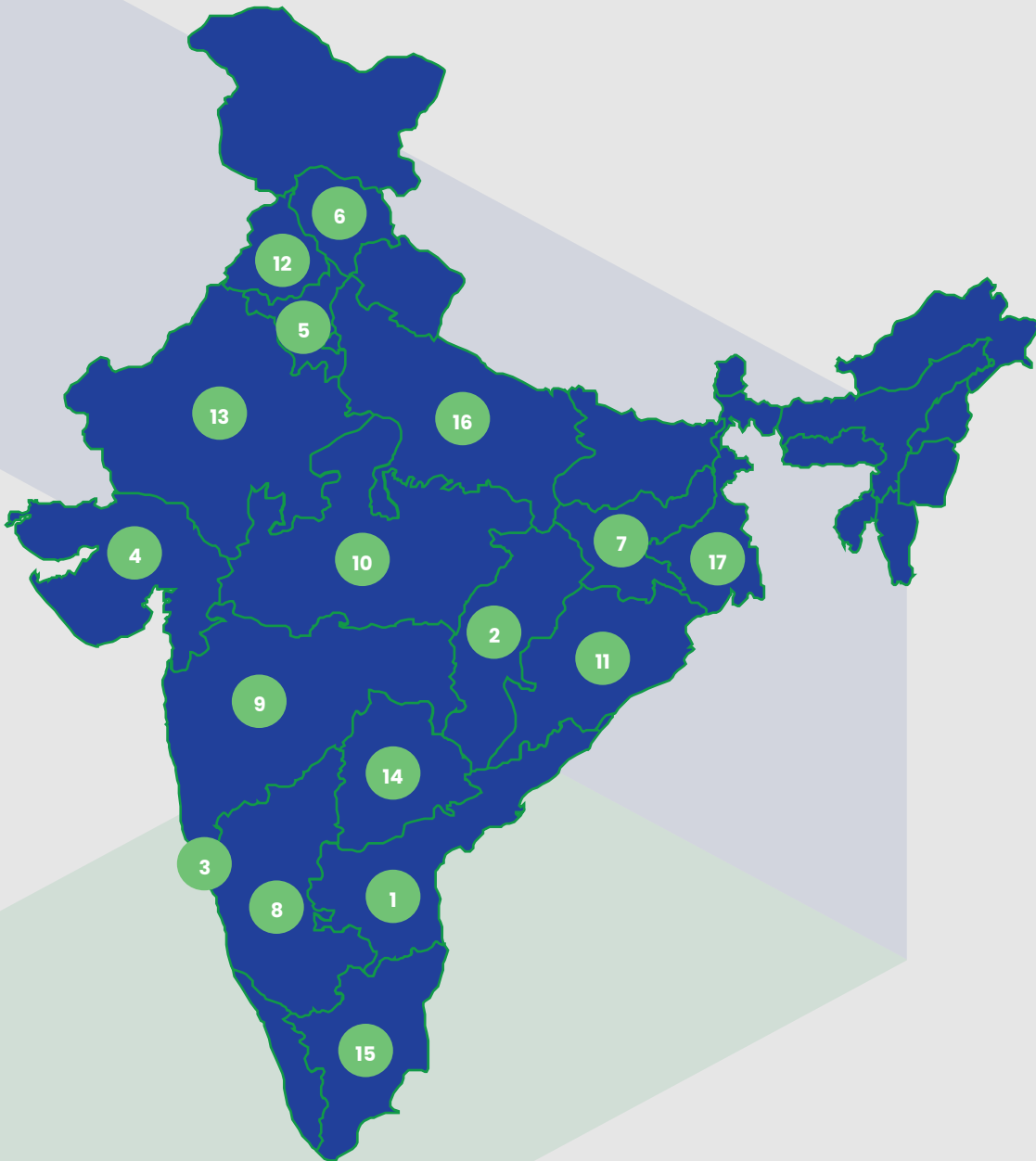
Construction Week Winner Roads & Highways Project of the Year 4 Laning of Vijaywad Machhlipatnam on Nov. 2019

The Company received this award for fourth consecutive year.



1000 CAT Equipment Award for Enduring Partnership as India's Single largest Customer of Caterpillar 2018

# Pan India Project Execution Capability



**1 Andhra Pradesh**

Completed	<b>29,045</b>
Ongoing Gross	<b>13,750</b>
Ongoing Net	<b>5,901</b>

**2 Chhattisgarh**

Completed	<b>7,038</b>
Ongoing Gross	<b>8,368</b>
Ongoing Net	<b>5,560</b>

**3 Goa**

Completed	-
Ongoing Gross	<b>15,281</b>
Ongoing Net	<b>4,538</b>

**4 Gujarat**

Completed	<b>9,589</b>
Ongoing Gross	<b>5,701</b>
Ongoing Net	<b>5,701</b>

**5 Haryana**

Completed	<b>4,637</b>
Ongoing Gross	-
Ongoing Net	-

**6 Himachal Pradesh**

Completed	<b>1,187</b>
Ongoing Gross	-
Ongoing Net	-

**7 Jharkhand**

Completed	<b>10,071</b>
Ongoing Gross	<b>20,567</b>
Ongoing Net	<b>17,614</b>

**8 Karnataka**

Completed	<b>9,711</b>
Ongoing Gross	<b>56,120</b>
Ongoing Net	<b>32,638</b>

**9 Maharashtra**

Completed	<b>38,476</b>
Ongoing Gross	<b>56,242</b>
Ongoing Net	<b>28,365</b>

**10 Madhya Pradesh**

Completed	<b>1,09,541</b>
Ongoing Gross	<b>41,986</b>
Ongoing Net	<b>30,414</b>

**11 Odisha**

Completed	-
Ongoing Gross	<b>18,435</b>
Ongoing Net	<b>13,695</b>

**12 Punjab**

Completed	<b>12,555</b>
Ongoing Gross	-
Ongoing Net	-

**13 Rajasthan**

Completed	<b>9,433</b>
Ongoing Gross	<b>5,366</b>
Ongoing Net	<b>4,898</b>

**14 Telangana**

Completed	<b>15,556</b>
Ongoing Gross	<b>5,795</b>
Ongoing Net	<b>2,788</b>

**15 Tamilnadu**

Completed	<b>2,520</b>
Ongoing Gross	-
Ongoing Net	-

**16 Uttar Pradesh**

Completed	<b>31,154</b>
Ongoing Gross	<b>45,028</b>
Ongoing Net	<b>38,587</b>

**17 West Bengal**

Completed	-
Ongoing Gross	<b>6,131</b>
Ongoing Net	<b>119</b>



# What are we constantly thinking?



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

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

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Execute projects with our own employees and equipment's

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

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

---



Grow our business with sustainable margins

---



Be a focussed EPC Company

---



Reduce Debt & improve Credit Ratings

---



**As we move ahead,  
the strategy of  
your Company will  
be to focus on EPC  
projects and we will  
continue to de-risk  
our business through  
geographical  
and segmental  
diversification.**



# Chairman Message

Dear shareholders,

I am delighted to present to you the 14th Annual Report of your Company for FY 2019–20. The last fiscal year marked a significant phase in your Company, during which our capabilities and resilience were tested. Even in the midst of turbulent tides, DBL displayed grit and delivered on its promises. These are very uncertain times for the world, both in general and economic terms. But history is also replete with examples that demanding circumstances bring out innovation and fresh thinking to the fore. We should be fully confident that these challenging times will also lead to changes that are good and will benefit humanity.

Even in difficult situations at great institutions, a committed and inspiring leader along with a great team can achieve seemingly impossible tasks. There are several legendary figures from the global business world most of us have heard of. Many of these great entrepreneurs and companies have made important contributions in shaping their relevant industries and the business world. We must take inspiration from them and look forward to the future with optimism and zeal.

The present Covid-19 crisis has given us the opportunity to reassess our methods and tweak them if required. It is also an opportunity to gain a broader



**Dilip Suryavanshi**  
Chairman

perspective while making rational decisions for the business. During the last quarter of FY20, COVID-19 spread rapidly across the globe, causing considerable losses to humankind in both economic and medical terms. To prevent the rise of the pandemic, governments all over the world initiated a complete lockdown. As a result, the world economy had to endure a significant setback and experts predict a financial situation worse than the Great Recession of 2008. In the infrastructure sector, the lockdown had put a halt to all construction activities. Consequently, there was slowdown in the execution of projects and a slower rollout of new orders.

In the face of such an unforeseen crisis humanity has shown great determination to fight back and restore normalcy. Scientists are working hard to find a cure for the virus while healthcare professionals are tirelessly treating the patients. The civil workers, on the other hand, are breaking a sweat to keep the societies clean and safe. Restoring the situation will require time and the government has released guidelines to adhere, which will ensure the functioning of activities safely and securely. On the economic front, the government of India has announced a 6-month moratorium to offer short-term relief to people and businesses.

**The infrastructure sector is one of the prominent drivers of the Indian economy, as it is responsible for the nation's overall development and hence remains the focal point of the government while drafting policies.**

**The Government of India is planning to invest heavily in the infrastructure sector, with focus on urban transport and renewable energy. The Hon'ble Prime Minister Narendra Modi during his Independence Day speech 2019, committed ₹ 100 lakh crore to be invested in infrastructure in the coming five years. In the Union Budget 2020-21, the government allocated ₹ 16,96,370 million for the development of transport infrastructure.**

**In Budget 2020, the Hon'ble Minister of Finance Nirmala Sitharaman proposed a National Skill Development Agency to focus on improving infrastructure-skills of youth and which can help them in getting employment opportunities. The Minister also mentioned the accelerated development of highways as a priority for the government. The objective is to develop 2500 km of access control highways, 9000 km of economic corridors, 2000 km of strategic highways and 2000 km of coastal and land port roads. The proposition of monetising twelve lots of highway bundles of over 6000 km before 2024 was also put forth so the NHAI can raise more resources.**

**Recently, the Hon'ble Finance Minister launched the National Infrastructure Pipeline of ₹ 111 lakh crore consisting of more than 6,500 projects across numerous sectors. The projects will be for housing, drinking water,**

**clean energy, healthcare, urban transportation, irrigation, and much more. The vision is to build world-class infrastructure projects, which will improve in ease of living of the population. The government introduced generic and sectoral reforms in the operations, maintenance and development of the infrastructure projects.**

**The Hon'ble Prime Minister shared his vision of a self-reliant India while announcing the economic package for the coronavirus pandemic on 12th May 2020. The objective is to transform the country into an economic powerhouse resonating growth through opening sectors and welcoming FDI. This initiative is termed 'Atmanirbhar Bharat' and it encapsulates many progressive steps which will reap long-term benefits. The following points are the major infrastructure highlights of this program:**

- Reforming the mineral sector to improve growth, create employment and motivate the use of modern technology which intends to increase the transparency by liberalizing entry norms and using a revenue-sharing mechanism.**
- Ensuring efficient airspace management in the civil aviation sector, reduction of flying cost and building more world-class airports on a Public-Private Partnership (PPP) basis.**

**In FY20, DBL won numerous new projects in various states and industries, valued at a total of ₹ 67,250 million. The financial upkeep of your Company is going well, as evident from the highest cash flow generated in its history, of ₹ 1,331 million. On the other hand, our net debt-equity ratio dropped to 0.81x from 1.06x in FY19, which translates to the improving self-sustenance of the Company and the added value for the shareholders. Even in the midst of a pandemic, the Company still managed to fulfil its target which is a promise we made to our shareholders.**

The recent fiscal was full of challenges, lessons and achievements for Dilip Buildcon Limited (DBL). Our performance in FY20 underlines our never-ending zeal to deliver and our uncompromising attitude towards quality. As we enter FY21, we are inspired to retain our stature as the industry leader.

In FY20, your Company completed many prestigious projects across several states in the roads and mining sectors. This proves that DBL's dedication and capability in executing projects are outstanding even during testing times. We believe in creating a strong, diversified and sustainable business and hence have been moving in that direction in the last few years.

As we move ahead, the strategy of your Company will be to focus on EPC projects, invest in equipment bank, improve process and control, recycle our equity and attract a talented workforce. We will look to de-risk our business through

geographical and segmental diversification.

DBL will not spare any efforts in enhancing its execution skills through innovation, on-time delivery, strengthening its IT systems and other internal processes. For better financial performance, we will improve our project selection strategy, increase control on costs, emphasise on cash flow generation and deleverage the balance sheet for better returns.

Your Company continues to identify and capitalise on growth opportunities in various sectors, which have differentiated us as an organisation synonymous with excellence, dominance and reliability. As we enter FY21, the journey ahead might be tedious and challenging, but we are determined to rise above the impediments and steer safely to a position of growth.

Before I conclude, I would like to extend my gratitude towards

the Board Members and the shareholders for their continued support to the Company. I would also like to thank the employees, vendors and customers for their constant dedication and hard work towards our shared vision. We will continue to uphold our business values and ethics, which have helped us accomplish numerous feats over the years and brought us the success we have.

As always, I thoroughly enjoy communicating with all of you as fellow shareholders in DBL and I hope that the next twelve months will bring more peace and prosperity to all of you.

Yours sincerely,

**Dilip Suryavanshi**  
Chairman



**Devendra Jain**  
Whole-time Director & CEO

# CEO Message



**The Company will continue to move ahead by leveraging its strengths and expanding further to capitalize on opportunities in the infrastructure sector.**



These are incredibly challenging times for the entire humanity. The crisis and transition that the Global and Indian economies are going through have led to a serious rethink on many important areas and key issues. In this situation, it is an honour to lead your company and it gives me immense pleasure to write to you about the major developments and achievements of the Financial Year 2020. Despite the major challenges, we have

moved forward in the right direction and your company is fully prepared to navigate the vagaries of the evolving macro situation and intricacies of the business environment. I want to take this opportunity to assure all the stakeholders in the company that our team is rising to this challenge with complete dedication, unwavering commitment, and adherence to the strong values of DBL.

At the outset, the year gone by has been a roller coaster ride for the infrastructure and construction sector in India. Although the development and maintenance of world-class infrastructure have remained the highest priority for the government to sustain our

standing as one of the fastest-growing countries in the world, the headwinds impacted the progress. There are silver linings as well. For example, National Highways Authority of India (NHA) has accomplished the construction of 3,979 km of national highways in the Financial Year 2019-20, the highest ever highway construction achieved in a financial year. India has also made progress towards a well-developed framework for Public-Private-Partnerships (PPP) in the highway sector. It was hardly a surprise that Asian Development Bank ranked India at the first spot in PPP operational maturity and designated India as a developed market for PPPs.

As we highlighted, the policymakers are making a serious effort in this direction. Earlier this year, the Hon'ble Finance Minister, Government of India had announced a National Infrastructure Pipeline (NIP) worth ₹ 111 lakh crores, which must be implemented and executed over next five years between 2020-2025. She has also suggested certain reforms such as accelerating



monetization of infrastructure and land assets, setting up of development financial institutions and deepening Corporate Bond markets. Out of the total expected capital expenditure of ₹111 lakh crore, projects worth ₹44 lakh crore (40% of NIP) are under implementation, projects worth ₹33 lakh crore (30%) are at conceptual stage and projects worth ₹22 lakh crore (20%) are under development. Information regarding the project stages is unavailable for projects worth ₹11 lakh crore (10%). Sectors such as energy (24%), roads (18%), urban (17%) and railways (12%) amount to around 71% of the projected infrastructure investments in India. The Centre (39%) and States (40%) are expected to have an almost equal share in implementing the NIP in India, followed by the private sector (21%).

There are other positive developments, too on the broader, structural reforms. Recently, the Government of India announced the private participation of coal mining. The unlocking of commercial coal mining for the private sector companies will bring efficiency to the coal sector. It will drastically increase the competition and will allow the use of the best possible technology in the sector. All these proposals will be implemented on the Public Private Partnership (PPP) model. This indicates the creation of a tremendous business opportunity for your Company, as Dilip Buildcon Ltd. has presence in different verticals such as Roads, bridges, canals, tunnels, metros, airports, mining, irrigation, and urban development.

### Year under review

Every year is different for the business. However, FY 2020 was especially difficult as it turned out to be paved with many hurdles on the pathway to success.

- While a good monsoon is helpful for the economy, but as you all know that an extended monsoon season impacts the infrastructure sector by creating execution difficulties. Generally, the monsoon season is three months long from July to September, but last year it started early and ended late. Even Post-November there were pouts of rainfall which impacted the execution.
- Delay in the appointment dates of certain projects from the government also played a key role. Due to this, the projects got a relatively late start resulting in delayed realization of revenues and increased set up costs because of idling of man power and machine.
- Another major event which impacted revenues and margins is the global pandemic of the coronavirus. Due to this pandemic, the entire nation was under a lockdown in March and all the economic and construction activities were hit for the last 15 days of the financial year 2019-20.

This hampered the general execution and as a result, the revenue of the Company also got hit. This naturally put margins under pressure, because certain fixed costs and overhead expenses remain unchanged over time. Nevertheless, we are very proud to say that Dilip Buildcon remained strong and sailed through these tough landscapes. Despite all these headwinds, we stood true to our commitments and delivered on our promises.

- Completed 14 projects worth of ₹ 1,05,445 million. This the highest number of projects completed in a single year in the entire history of Dilip Buildcon.
- At the start of FY19, we committed to bringing down the net debt-to-equity ratio below 1x and we successfully brought it down to 0.81x
- Last year the Company generated a net cash flow of ₹ 1,331 million, which is again the first time in its history that the Company generated such a massive amount of net cash balance
- The Company successfully monetized 5 HAM projects by selling it to Cube Highways. This is for the second time the Company did such kind of a transaction.

### Major financial highlights for the year

- ➔ The Company's revenue decreased by 2% from ₹ 91,646 million in 2018-19 to ₹ 90,151 million in 2019-20
- ➔ EBITDA decreased by 3% from ₹ 16,508 million in 2018-19 to ₹ 16,033 million in 2019-20
- ➔ Profit after tax stood at ₹ 4,267 million in 2019-20 in comparison with ₹ 7,639 million in 2018-19. The reasons for this decline are: a) The Company was enjoying the benefits under Section 80-IA of the Income Tax Act, 1961, till FY 2018-19 which exempted the 100% profit from Tax infrastructure projects covered under sec 80-IA (4). However, in FY 2019-20, there were no major projects left, which are eligible for such exemption. b) Due to capital expenditure during the year, there is an increase in depreciation c) Increase in Finance Cost from ₹ 5,299 million to ₹ 6,127 million
- ➔ Last year the order awarding turned out to be weak on behalf of the government, yet we managed to get new orders worth ₹ 67,250 million. The order book has been expanding quite good over the last five years, in 2015-16 the order book was ₹ 107 billion and now it stands at ₹ 191 billion in 2019-20

### Deleveraging Balance sheet

DBL's Net debt-to-equity ratio as of March 31, 2020, on a standalone basis, stood at 0.81x. As committed earlier, we are focusing on deleveraging the balance sheet of the Company and we will continue to focus on reducing debt and delivering the growth which we promised during the IPO in 2016. As evident from our finances, the revenue of your Company has grown from ₹ 41,011 million in FY16 to ₹ 90,151 million in FY20, while the net debt had risen from ₹ 24,068 million to ₹ 29,343 million, between FY16 and FY20 marking five years of our IPO. The equipment and working capital debt-equity ratio have decreased to 0.36x and 0.45x, respectively. The total debt-equity ratio has fallen to 0.81x as the net debt is now ₹ 29,343 million, a considerable share ~45% of which is equipment debt and ~55% is working capital debt.

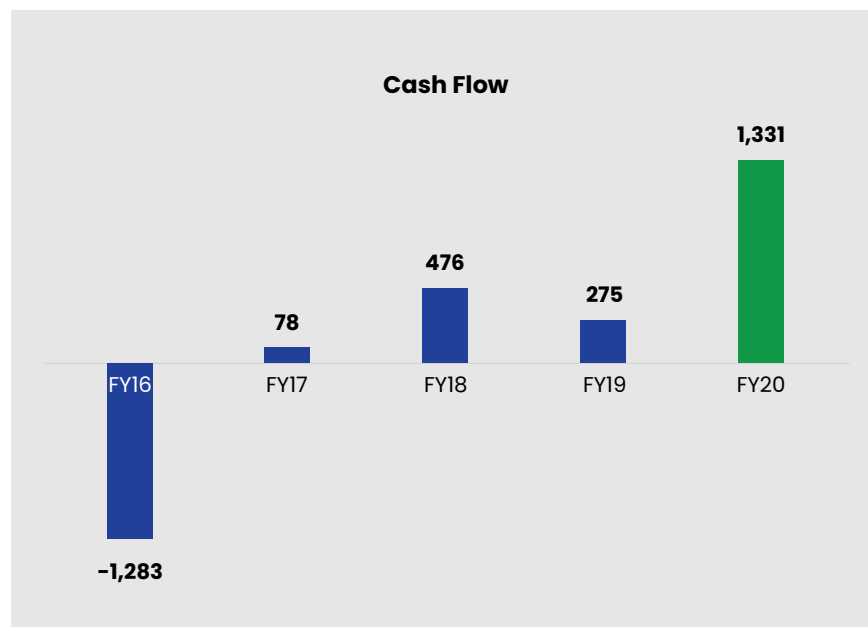
### Strong Cash Flow generation

The operating cash of the DBL is always been strong. It serves the purpose of purchase of equipments, all the working capital

needs and equity investments in projects. In FY16, the company raised only ₹ 4,300 million by the way of IPO but at the same time in past 5 years, the Company invested ₹ 22,347 million in equipments.

Looking at the cash flow over past five years, it has grown more than

200%, as the cash flow stood at ₹ (1,283) million in the financial year 2015-16 and ₹ 1,331 million in the financial year 2019-20, this is the highest cash flow ever generated in the entire history of DBL. The Company will continue its efforts to generate higher cash flows in the coming years.



### Monetisation of Road assets

After the successful transaction of selling HAM portfolio with Shrem group, we have sold yet another portfolio of 5 HAM projects to Cube highways, focusing on the efficient use of equity. We will continue to emphasise on improving the

Return on Equity by exploring possibilities for monetising the remaining 7 HAM projects out of the 12 we had won in FY19, for which we are in talks with a few large financial investors.

Now, let me walk you through your Company's order book, the

orders we won and the projects we completed last year. We are proud to report that regardless of the macro-environment and challenges within the sector and the economy, the previous financial year marked a milestone in the history of your Company.

### Order Book

We always pay close attention to the project bidding process, as this keeps our order book robust and envision us for future revenue visibility. DBL's order book has been continuously expanding over the years and we have won orders worth of ₹ 67,250 million in FY20.

Project Name	Type	State	Contract Value (₹ million)
Extra-dosed bridge across Sharavathi backwaters	Special Bridge	Karnataka	3,215
Construction of Kharkai Dam at Icha	Irrigation	Jharkhand	8,664
Overburden Removal – Nigahi OCP of NCL	Mining	Madhya Pradesh	17,989
Development of Bundelkhand Expressway Project, Package-VI	Road	Uttar Pradesh	13,621
Development of Bundelkhand Expressway Project, Package-II	Road	Uttar Pradesh	12,500
Construction of New Greenfield Airport at Hirasar, Rajkot	Airport	Gujarat	5,701
Pathrapalli-Kathghora Pkg-II of Bilaspur - Kathghora section	Road	Chhattisgarh	5,560
<b>Total</b>			<b>67,250</b>

These projects are won across five sectors viz. road, mining, airport, special bridge and irrigation, proving our vertically diversified business approach. Also, these projects won are in 6 states, proving our strong geographical dispersion across the Country.

### Projects Completed

The project execution has always remained the backbone of Dilip Buildcon Limited. In the financial year 2019-20, we had completed 14 projects worth of ₹ 1,05,445 million, which is the highest ever projects completed in a single year in the history of the Company.

These projects had been completed across eight states in the road and the mining sectors. The projects completed in the road sector and mining sector is worth ₹ 78,973 million and ₹ 26,472 million respectively.

Out of the 14 completed projects, 12 were road projects and 2 were of mining. Out of the 12 road projects, six projects worth of ₹ 51,992 million were completed before the scheduled time, entitling us an early completion bonus of ₹ 1,282 million and remaining six road projects were completed on scheduled time.

The longevity of a business is linked to the robustness of its operating principles, the sustainability of business expertise and alignment with macro opportunities. The operating and financial numbers DBL has

achieved in FY2019-20 underline your Company's competitiveness to consistently deliver in a challenging business environment and build a strong and sustainable business. Strong revenue visibility underlines the success and credentials of an organization, and DBL has been successfully able to maintain this over the years. There are fundamental reasons for why we have been able to achieve the performance we deliver and why we have been able to deliver market-leading returns to our shareholders, notwithstanding short-term fluctuations in the capital markets.

- ➔ Our vision is completely aligned with the objectives of our clientele which reflects in our business and geographical diversification. With a presence in 17 states, and visibility in roads, buildings, bridges, canals, mining and metro sectors, your Company has proved its mettle as one of the fastest-growing infrastructure company in the country. Since inception, the Company had laid 22,201 lane kilometers of Road and Highways.
- ➔ According to a survey conducted by the National Highways Authority of India (NHAI), that only 15% of the total projects, from 1995 to June 2016, have been completed on time. With ~95% projects completed before the deadline, and early completion bonus amounting to more than ₹ 5.5 billion over the previous eight 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 38,569 employees and owns the highest number of equipment with 12,833 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 75.0% compared to the industry average of ~50%.

We have two important focus areas:

- a. **solid and consistent growth in Engineering, Procurement and Construction (EPC),**
- b. **best possible use of net block while adopting an asset-light strategy for projects on PPP model.**

Your Company is working hard to continue on its track of success and gain further accolades in the infrastructure and construction industry. Consequently, we will be able to garner more lucrative projects and improve our performance from the previous years. Emphasis will be laid on improving the order book and getting more high-valued projects which offer higher margins and demand technical expertise. Another important initiative is project clustering which will lead to higher efficiency and profitability. To tide over any possible seasonally weak quarters, we are focussing on diversification across geographies and sectors by increasing our national footprint. By enhancing our skillset and order book we aim to pursue a wide range of tenders and maximise our profit margins and business potential. We have entered different segments where we identified business potential, fungible equipment and the opportunity to leverage our strengths.

The Company will continue to

move ahead by leveraging its strengths and expanding further to capitalize on opportunities in the infrastructure sector. Our growth is credited to our never ending professionalism, perseverance and the passion to excel. We are willing to drive innovation across different levels in our business to create a sustainable operating and financial model. We are optimistic about the industry issues, like land acquisition, bank lending and other disputes, to be tackled effectively by the government. This will be crucial for creating better opportunities in the infrastructure segment. With the ample opportunities provided by the Indian economy and the government's progressive intent, we are sure our future direction will lead us to more achievements and continued productive growth.

To conclude, I would like to thank the Board Members and all the stakeholders for their continued trust, strong belief and never-ending optimism in the executive management of the company. We are on our path towards realising our vision and cementing our success in the infrastructure and construction industry. With the support of our stakeholders, management, employees and the consumers, Dilip Buildcon will be a shining example of the entrepreneurial zeal of ordinary Indians.

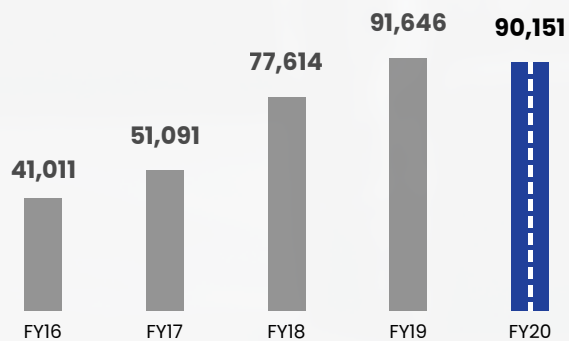
Very Sincerely,

**Devendra Jain**

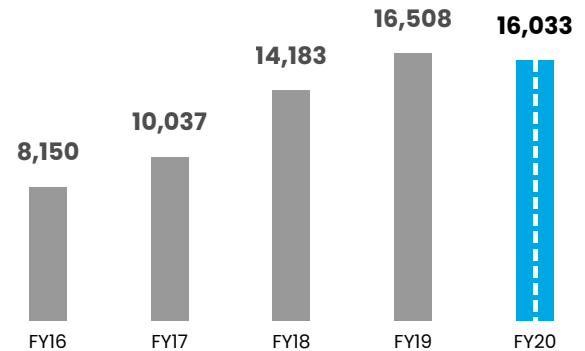
Whole-time Director & CEO

# Successful Business Performance

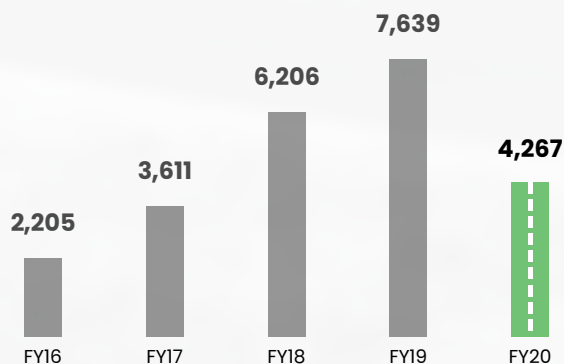
## Revenue (₹ IN MN)



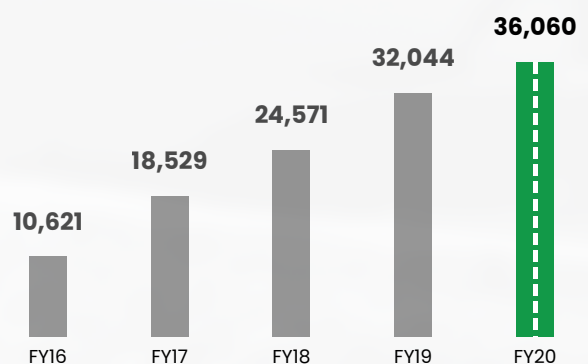
## EBITDA (₹ IN MN)

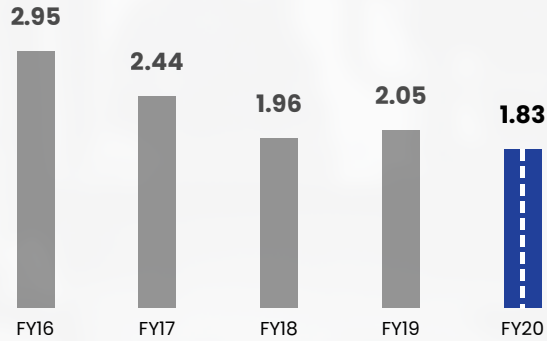
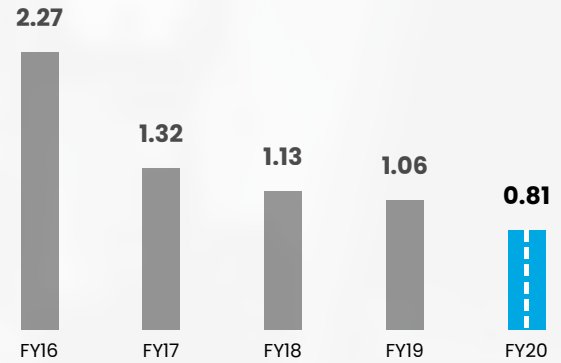
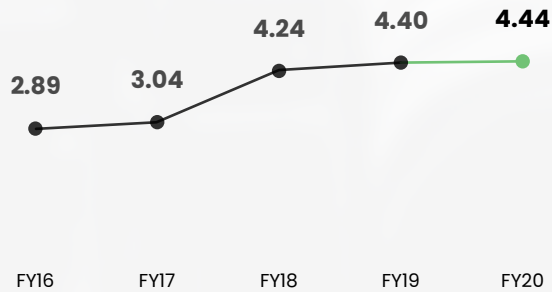
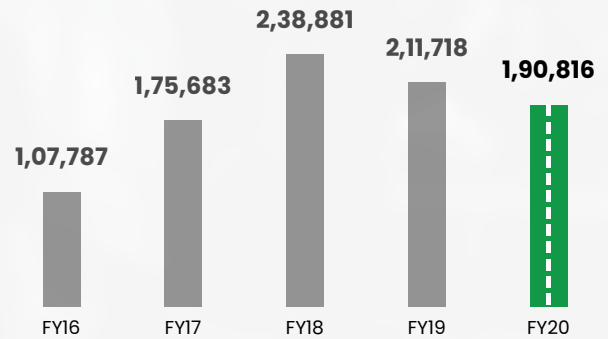
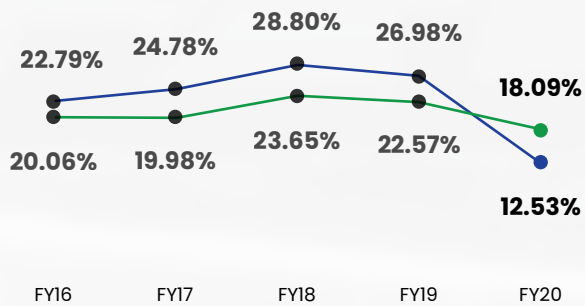
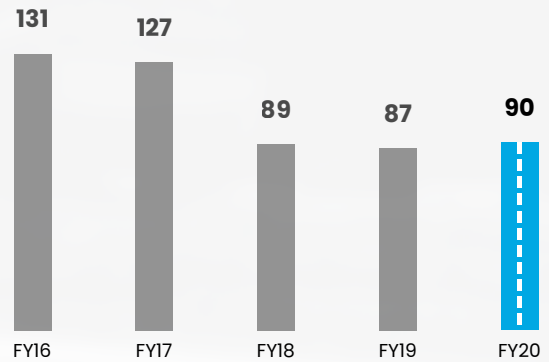


## PAT (₹ IN MN)



## Networth (₹ IN MN)



**Net Debt to EBITDA (Times)****Net Debt to Equity (Times)****Asset Utilization (Times)****Order Book (₹ IN MN)****RONW & ROCE (%)****Working Capital Days**

# Business Model

## Project Selection and Management



Cost-effective procurement



Equipment tracking and management for efficiency

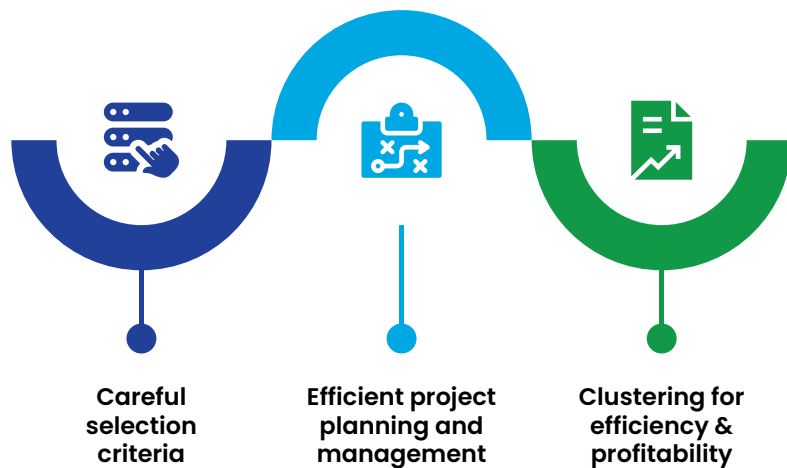


Robust contract Management



Project tracking to minimize delays

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





### 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



### Financial Performance

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



### Continuing focus on driving operating efficiency

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



# Innovation Focused

## 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.



## 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 nonavailability 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.



Khairagura OCP mines, Telangana

# Backward Integration

Creating an ecosystem for self-sustainability

To further support our in-house execution, we have setup our own manufacturing units, which make the highest quality road furniture/ material needed for our business. It helps us control costs and timelines.



**Octagonal Poles**



**Pipe Rolling**



**Metal Beam Crash Barrier**



**Road Marking Paint**



**Bus Shelter**



**Sign Boards**



**Scaffolding**



**Bearing & Expansion Joint**



**Reinforced Earth Walls**



**Fabricated Casting Panels and Moulds**



**Overhead Gantries & Cantilevers**



**Foundry**

## 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. The Company 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.

## DBL's Response to COVID-19

# Standing Tall Through The Tough Landscape



The Coronavirus has changed the tempo of our lives, the way we living earlier. The World Health Organisation(WHO) declared the novel Coronavirus as a global pandemic on March 11, 2020. Accordingly, in India, the overarching goal of the Government is to control the spread of this pandemic, for that, they took a series of measures to contain the disease from spreading. Firstly, the honorable prime minister declared the Janta Curfew, which was observed

on March 22, 2020, and given its success, he announced the first Lockdown on March 25, 2020. Subsequently, a series of lockdowns were announced. The COVID-19 severely impacted many, with the Indian economy virtually coming to a standstill. Revenues, Cash flows and earnings declined drastically to almost nil for most on account of the lockdown and resultant restrictions on the movement of people, goods and resources.

DBL's response to the situation was very swift. The Company extended its support to the lock down initiative taken by the Central and State government authorities in various states/ districts across India and suspended the operations at all the locations. The Company took all the necessary precautionary measures at all the locations against the spread of the COVID-19 from time to time, as directed by the government.

## Initiatives undertaken by DBL to combat the COVID-19 pandemic

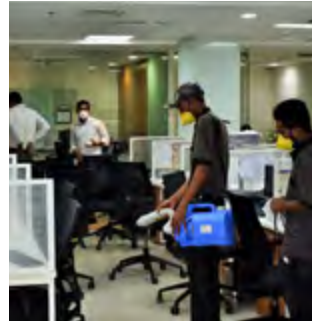
### Office Measures:

#### New Policies

As a part of Business Continuity Measures (BCM), DBL imposed the Work From Home (WFH) policy and this was identified as major relaxation for working in the COVID-19 pandemic environment

#### Technology Infrastructure

Since most employees were Working From Home, technology infrastructure for remote access was taken care of



#### Risk Assessment

Continuous detailed assessment on threats constituted by COVID-19 and mitigating measures were undertaken by the Executive Management Committee

#### PPE Distribution

The Protective Personal Equipment's (PPE) like masks and sanitizers were distributed among employees and also, adequately stocked in case of emergency

#### Daily Routine

Daily temperature check and hand sanitizers for all who enters into office premises. Proper Sanitization of entire office premises, thrice a day through sanitizer sprayer machine

#### Work Strategies

Redesigned the working pattern and created team rotation structure to break the contact

### On-site Measures:



#### Awareness Kit

Informative posters, standees, etc., were designed to create awareness among the labours on the pandemic

#### PPE Distribution

The Protective Personal Equipment's (PPE) like masks and sanitizers were distributed among labours and adequately stocked



#### Food and Shelters

Although the sites were inoperative, but all the adequate food and shelter facilities are all taken care by DBL

#### Proper Sanitization

Daily temperature check and hand sanitizers for all who enters into food mess and proper Sanitization of entire mess & shelter

# Commitment 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.



## 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.



### Hum Saath Hain

As an initiative to educate people about paralysis, DBL launched health camps across Madhya Pradesh under the banner 'Hum Saath Hain'. Paralysis affects millions of people all over the world; and in a country where a large percentage of people endure physical toll, paralysis is a certainty. The health camps ran check-ups of the attendees, motivated them to maintain their health and provided personal consultancy. The objective of a more alert community was achieved with this initiative, as people were also extended recovery and rehabilitation assistance.



### Ekal Vidyalaya Abhiyan

Education is the light which guides us away from the darkness, leading towards progress and sustenance. In rural areas, imparting education is still a challenge, which DBL addressed through this initiative. The educated individuals of villages were motivated and financed to teach the children and adults, so they would get atleast basic education. The benefit would be two-folds, as the development of children will lead to rural development in the villages.



### Distribution of Sanitary napkins

Amongst some sections of the society, the use of sanitary pads is still unmotivated leading to health issues in young girls. To address this, DBL participated with Rotary Club Bhopal to distribute sanitary pads within girls studying between class 9 and 12. The objective is to motivate the use of sanitary pads and not revert to unhygienic alternatives.





# Management Discussion And Analysis

## ECONOMIC OVERVIEW

### The Global Economy is at the Crossroads

In the last 60-70 years, there have been countless supporting arguments from numerous academicians, business figures and political leaders for why globalisation is the ultimate solution for the ills of local economies and how integration of trade and services across the globe could make the global economy stronger, which in turn will make the world more equal. In this phase, the concepts of 'relative competitive advantage' and focusing on specialisation along with capitalizing on strengths by

outsourcing everything which can be done by someone else more efficiently became very popular and they contributed immensely in the growth and expansion of globalization. There have also been several contributing factors like efficient and cheaper air transportation, advent and supernormal growth in container shipping and cross-cultural influences, but it is an undisputed fact that globalisation has been a key driver for the global economy over last several decades and it led to exponential growth in international exchanges of goods and services.

The tide has started to turn on this thought process and questions

were being asked about the effectiveness of globalisation as the panacea even before Covid-19 pandemic. In the decade gone by, as political leaders started to exploit the resentment against globalization in local population, the anti-globalisation sentiment became more popular in masses especially in the developed countries. However, the Coronavirus pandemic and resulting health and economic crisis has added more fuel to this fire. Several active participants among policy makers and thought leaders from major powers like US have started to strongly highlight this crisis as a strong reason why globalisation requires clear and

logical thought process behind it and it is not a given that it is only beneficial for everyone, with no adverse side-effects. So far, the argument against globalisation was largely emotional that why it is bad for local population but Coronavirus crisis has given a scientific and rational basis to the people on why globalisation should be at least stopped if it is not possible to reverse it altogether.

There are other interesting aspects of this entire debate. For example, the efficiency of production methods and making operations leaner for the organizations. The entire mantra of enhanced productivity over last several decades is based on the improvements in capital and labour practices, which are the two most common factors of production. For any organization, the idea was to bring down cost of capital, eliminate expenditure to the maximum possible extent, make labour force more efficient and effective. And all of this to make sure that their products and services are available at the most competitive price to their customers and they sell only so much in quantity which will help them maximise profits. There are some generalizations involved here, but this was the template, more or less. An integral part of this entire business cycle was to look at sourcing and supply chains and how to increase efficiency in them.

How to source the lowest cost raw materials, how to transport it efficiently and just in time when it is needed and making products available to customers in an optimal manner. But what was not factored in is that there could be disruptions and Coronavirus crisis brought them to the fore. When

Covid-19 pandemic hit the plants and factories, workers became unavailable and transport links were broken, the realization has set in that too much of efficiency in supply chains mean that the 'margin of error' was really low and even a very small disruption anywhere in this chain was enough to stop the entire flow of goods and services. It was hardly a surprise that the backlash against 'super-efficient supply chains' and 'integration of business operations with complete elimination of any slack' began almost immediately. Certainly, these are the challenges which will dominate the discourse for global economy in the coming years and these will be interesting challenges to deal with, for the global political and business leadership. However, these are also opportunities to renew the effort to make the world a better place for future generations.

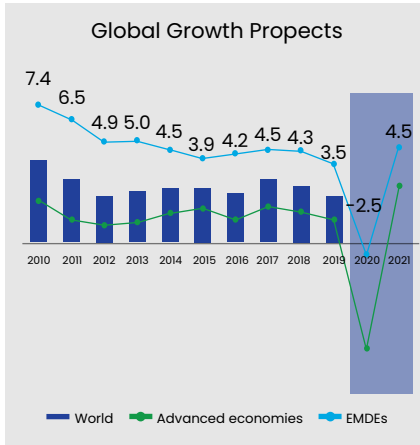
### The State of Global Economy —

The year gone by was not remarkable for the world economy with many headwinds impacting the progress. The global economy witnessed a slump in the fiscal year 2019-20, contributed by subdued global trade and investments. The economies of both developed and emerging countries had a slowdown, leading to a challenging financial scenario. Numerous growth factors, including global manufacturing, were quite sluggish for a major portion of 2019. With nearly 90% of advanced economies and 60% of Emerging Markets and Developing Economies (EMDEs) going through varying degrees of deceleration last year, a broad range of economies have experienced weak growth. As we discussed in the previous section, any slowdown in any region makes an impact

across the world and this has been the story for FY20 as well.

The ongoing trade war between two major superpowers has further complicated the situation. As the bickering between USA and China continued, the 'blow hot and blow cold' arguments continued to affect the sentiment on trade relations between these two countries. The saving grace is that from time to time, the bilateral ties between the United States and China shown occasional improvement as result of ongoing negotiations, leading to a temporary rollback of the tariffs that had damaged the relations. However, the fact remains that a prolonged trade dispute between the two largest economies of the world has resulted in political instability and has impacted foreign trade, investment and public trust. The fallout on other trade relations was also not unexpected as the rest of the world has also taken a protectionist approach after the two countries raised their tariffs.

During the end of FY20, the Covid-19 crisis led to more serious concerns on the growth rate for global economy and this needed a response from Central Banks. Global concern about growth factors forced the Central banks to ease monetary policies. Global growth has been 2.4% in the last financial year, which is the lowest since the global financial crisis. However, the economy is expected to revive in FY21 with gradual investment and global trade enhancements. Unless trade tensions do not reinvigorate, global growth will increase from 1.4% in FY20 to 1.9% in FY20. Monetary policy is expected to be accommodative in the coming years but fiscal policy may fade.



The lack of growth around EMDEs is a concern for resolving policy challenges. To ensure development, increase living standards and eliminate poverty, focus must be put on the growth of EMDEs. Emphasis must be laid on developing policies that motivate investment in human and physical capital, allocate resources to improve productivity, assist in the adoption of modern technology, and foster a growing and sustainable environment. Investing in green infrastructure will also help achieve goals that will reduce reliance on non-renewable sources of energy and minimize pollution.

### Indian Economy

In FY20, the Indian economy's GDP growth was slow at ~5%, however the latest round of FICCI's Economic Outlook Survey puts forth an annual median GDP growth forecast for 2020-21 at (-)4.5% with a minimum and maximum growth estimate of (-)6.4% and 1.5% respectively for 2020-21. The present slowdown in economic growth is due to factors like slow consumption rate, fall in fixed investment, minimal trade activities and a challenging manufacturing scenario. Since

the revival of the economy is the first priority, the fiscal deficit target might be relaxed for FY21. To address the domestic headwinds and improving the consumer sentiment, fiscal headroom will be created by banking on counter-cyclical policies.

In FY20, the overall industrial segment reported growth of 2.5%, which was 6.9% in FY19. For 2019-20, the Industrial Production Growth Index (IIP), which represents an economy's industrial efficiency, was reported at 0.6%. The sharp fall is due to subdued demand in key sectors such as pharmaceuticals and the automotive industry. In addition, underperformance was noted in sectors such as clothing, textiles, basic metals, and jewellery. Another significant factor that had a big effect was the scarcity of liquidity due to reduced NBFC lending.

The nation's dream of being a USD 5 trillion economy by 2025 requires solid pro-business commitment and implementation of policies. Providing vital support to new market entrants, enhancing business-friendliness, removing unnecessary policies that prove detrimental and generating employment are crucial to future growth. Exports of network goods have the potential to get the economy on track, as they can give the manufacturing sector a boost and generate multiple jobs. This will be achieved by combining the "Assembly in India" initiative with "Make in India."

### THE INFRASTRUCTURE INDUSTRY

#### Industry overview

The Indian infrastructure sector is a major driver of the nation's economy. Rising urbanization, energy demand and a need for

sustainable living financing pose a challenge for the country's infrastructural setup. Infrastructure, and its lack, is seen as the primary constraint of growth, while modern infrastructure is widely accepted as a growth-enabler. The industry is responsible for boosting the overall growth of India. Therefore, it requires to be treated as a priority from the government for the introduction of policies that would ensure time-bound formation of the country's world-class infrastructure. Opportunities in the sector have increased in recent years and are growing to build the sector at a fast pace, as a key factor in India's economic growth.



#### Highlights of Union Budget 2020-21:

- ➔ Investment of ₹ 100 lakhs crores in infrastructure in the coming five years
- ➔ For sovereign wealth funds of foreign governments, 100% tax exemption in respect of interest, dividend and capital gains income from the investments in infrastructure and other notified sectors, before 31st March 2024. The only condition is a minimum lock-in period of 3 years.
- ➔ Launching of the National Infrastructure Pipeline of ₹ 111 lakhs crores consisting of

more than 6,500 projects

- ➔ National Skill Development Agency to boost infrastructure-based skill development for generating employment for the nation's youth in construction, operations and maintenance of infrastructure
- ➔ Setting-up of a project preparation facility for infrastructure projects to involve more young engineers, economists and management graduates in the sector
- ➔ A National Logistics Policy to be released soon, which seeks to clarify the responsibilities of the Union government, State Governments and the regulators. Furthermore, it will create a single window e-logistics marketplace and emphasise employment, skills development and making MSMEs competitive.
- ➔ Development of highways at an accelerated pace will be overseen, including the development of 2500 km access control highways, 9000 km of economic corridors, 2000 km of coastal and land port roads and 2000 km of strategic highways
- ➔ The construction of Delhi-Mumbai Expressway and two other packages will be finished by 2023, while the Chennai-Bengaluru Expressway will be started
- ➔ Monetisation of a minimum of twelve lots of highway bundles of over 6,000 km before 2024

- ➔ Commissioned 550 Wi-Fi facilities in as many railway stations and had zero unmanned crossings
- ➔ Aiming to achieve the electrification of 27,000 km of tracks
- ➔ Plans for increasing the number of Tejas-type trains
- ➔ Proposition to set up a large solar capacity alongside the rail tracks
- ➔ Re-development four stations and operation of 150 passenger trains through PPP mode
- ➔ Construction of 148 km long Bengaluru Suburban transport at ₹ 18,600 crores with fares based according to the metro model. The Central government to provide 20% of the equity and offer external assistance of nearly 60% of the project cost.
- ➔ Technology to be used for improving the efficiency of sea-ports. A governance framework of international standards to be put in place.
- ➔ The Jal Vikas Marg on National Waterway-1 will be completed. Additionally, 890 km
- ➔ Dubri-Sadiya connectivity is to be done by 2022.
- ➔ The Hon'ble Prime Minister has envisioned "Arth Ganga" to create a sustainable development model focussing on economic activities related to Ganga
- ➔ Investment of ₹ 1.70 lakhs crores in transport

infrastructure in FY20-21

- ➔ Development of 100 more airports by 2023 for supporting the Udaan scheme and increasing the air fleet from 600 to 1200
- ➔ Investment of nearly ₹ 22,000 crores in the power and renewable energy sector
- ➔ Measures to reform DISCOMs to be undertaken for making the electricity distribution sector financially stable
- ➔ In the oil and gas sector, awarded 1.37 lakhs sq km for exploration to the private sector and CPSEs under the Open Acreage Licensing Policy (OALP)
- ➔ Proposition to expand the national gas grid from 16,200 km to 27,000 km
- ➔ Reforms to be undertaken for facilitating transparency and ease of transactions for enhancing the gas markets in India

The government launched the National Infrastructure Pipeline (NIP) in December 2019, an investment programme unveiled by the Central government to boost infrastructure in various sectors. This is a unique initiative for efficiently providing world-class infrastructure pan-India and improving the quality of life for all citizens. NIP would allow progressive social and economic infrastructure projects to create employment, increase living standards and provide equal access to services for all, thus adding inclusiveness in the development.

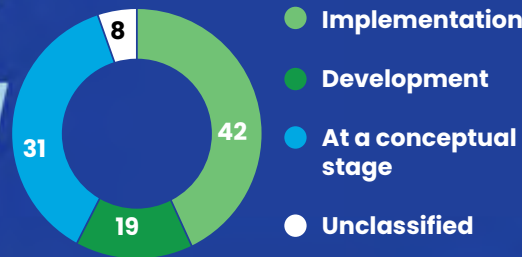
# The Road to Recovery

A renewed thrust on infrastructure projects is expected to increase economic activity, generate employment and boost demand

## Investment (in ₹ tn)\*

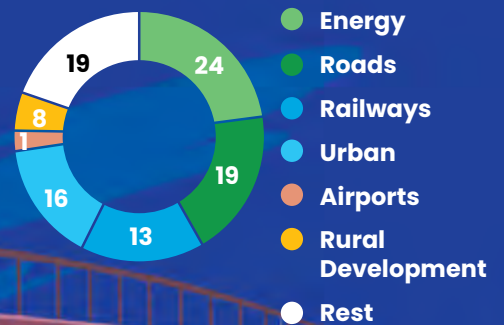


## Status of Projects (in %)\*



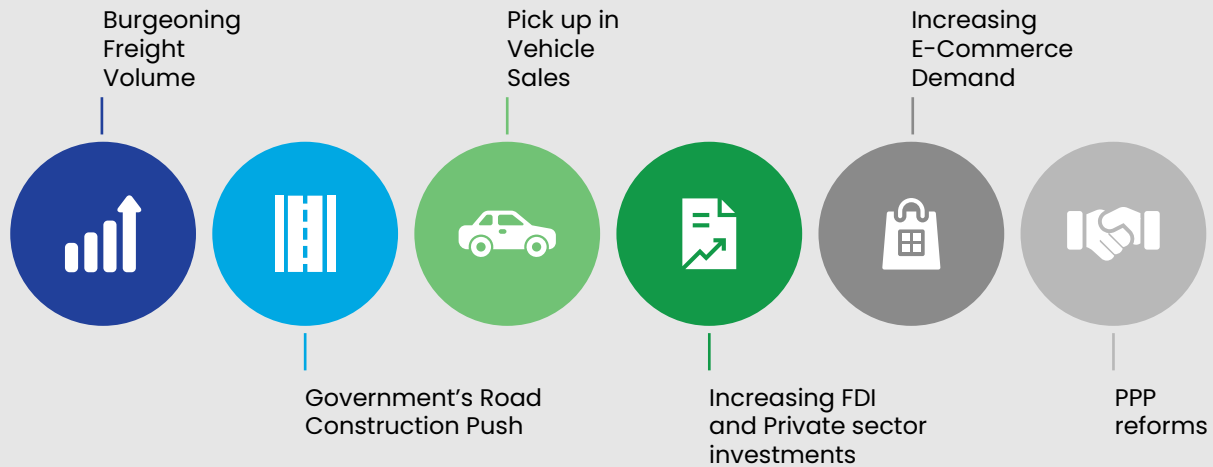
It is predicted that in the coming 5 fiscal years, sectors such as electricity (24 percent), roads (18 percent), urban (17 percent) and railways (12 percent) will contribute to ~71 percent of India 's projected investment in infrastructure, with a combined capital expenditure estimated at almost ₹ 111 lakhs crores. It is expected that the Center (39 percent) and states (40 percent) will have an almost equal share of NIP implementation in India, followed by the private sector (21 percent). The government has decided to give a necessary boost to the transport infrastructure by allotting ₹ 1,69,637 crores for its development. The highways sector has been performing consistently well over the years and the government has increased its expenditure in the sector from ₹ 34,345.20 crores in FY15 to ₹ 91,823 crores in FY21.

## Sector-wise break up (in %)\*



\* Excludes the power and data from some states. FY20 figure is an estimate, others are targets.

### Industry Growth Drivers

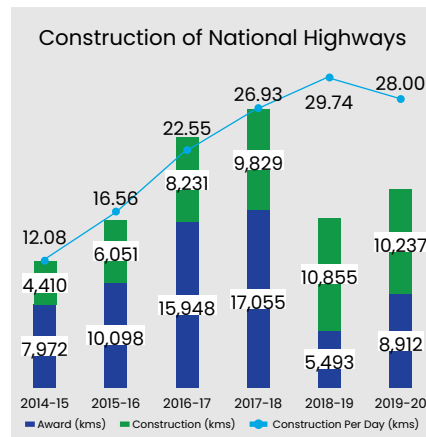


### Roads and Highways

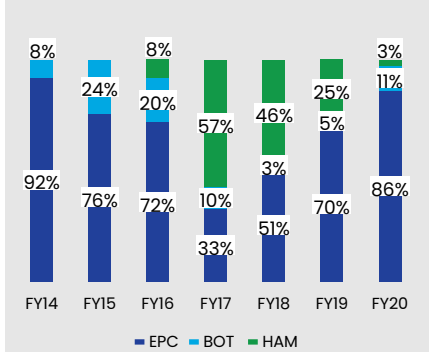


organizations continued on their tasks from the previous years, extending the country's national highway network, taking various measures to ensure the safety of the commuters and making efforts to mitigate any severe environmental impacts. Consequently, India's National Highways (NHs) length increased from 91,287 kms in April 2014 to around 1,32,500 kms till 31<sup>st</sup> December 2019.

According to the Ministry of Road Transport and Highways (MoRTH), in FY20 the country reaped benefits from the crucial policy decisions undertaken in the last five years. It was a time to track ongoing projects, overcome obstacles and continue the impressive pace of execution which has been achieved consistently in the past years. Throughout the year, the MoRTH and its related



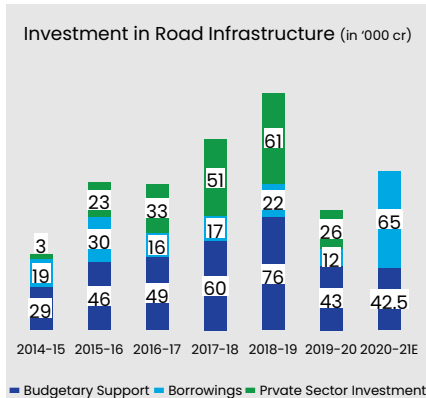
### HAM and EPC contracts form majority



The MoRTH has envisioned an ambitious road development initiative called 'Bharatmala Pariyojana' which includes the construction of 83,677 kms of NHs. The MoRTH closely reviewed the NH network and granted investment approval for the Bharatmala Pariyojana Phase-I development scheme of approximately 34,800 kms [which includes 10,000 kms of residual National Highways Development Project (NHDP) stretches] for a projected cost

of ₹ 5.35 lakhs crores. Under this scheme major highways will be developed, including economic corridors, inter-corridors and feeder roads; more efficient national corridors; border and international connectivity roads; coastal and port connectivity roads; and expressways. Total 246 ventures, 10,100 kms long, were awarded until February 2020. Furthermore, in FY20, 1,255 kms were built under the Bharatmala Pariyojana Project.

A total of 6,940 kms of NHs was constructed until December 2019, while 1,522 kms of NHs were constructed during FY20 under the Bharatmala Pariyojana. This initiative is aimed at corridor-based development for allowing better traffic movement. Ultimately, there will be fifty corridors, 70–80% freight on NHs and nearly 550 districts connected by more than four lane highways.



The government has prioritised the Hybrid Annuity Model (HAM) for the construction of NHs, for speeding up the project execution and renewing the interest among private developers. Until now, the economic value of the HAM projects awarded amount to ₹ 1.65 lakhs crores. The government has offered ₹ 66,000 crores as grant and the estimated equity is

₹ 25,000 crores. On the other hand, the debt is estimated at ₹ 74,000 crores.

With a view to augmenting sources of funding for NH projects, the NHAI intends to raise Rupees one lakhs crores through Toll-Operate-Transfer (TOT) Model of asset monetization in the next five years. Finances are also likely to accrue from Securitization of Toll Revenues as well as the setting up of Infra Investment Trust (InvIT). Other steps being taken by NHAI include financing new projects through National Investment and Infrastructure Fund (NIIF) supported SPVs.

### Irrigation



India's public irrigation sector is one of the largest in the world in terms of number of large reservoirs, total storage capacity and irrigated area. The Ministry of Jal Shakti is responsible for the development, maintenance and efficient use of water resources in the country and coordination of drinking water and sanitation programs in rural areas. The Ministry was created in 2019 by integrating the Ministries of: (i) water resources, river development, and Ganga rejuvenation, and (ii) drinking water and sanitation.

In 2020-21, the Ministry of Jal Shakti

received an allocation of ₹ 30,478 crores. This is an increase of ₹ 4,600 crores (18%) over the revised estimates of ₹ 25,878 crores in 2019-20.

### Department of Drinking Water and Sanitation

This Department administers programs for safe drinking water and sanitation in rural areas. It is responsible for the monitoring and implementation of Swachh Bharat Mission-Gramin and the Jal Jeevan Mission (the National Rural Drinking Water Programme). The Department has an allocation of ₹ 21,518 crores, accounting for 71% of the Ministry's allocation.

### Department of Water Resources, River Development, and Ganga Rejuvenation

This Department is responsible for: (i) planning, policy formation, and coordination of water resources in the country, (ii) scrutiny and monitoring of irrigation and flood control projects, (iii) supporting state level activities for ground water development, and (iv) reduction of pollution and rejuvenation of rivers.

In 2020-21, the Department has an allocation of ₹ 8,960 crores, accounting for 29% of the Ministry's allocation. Also, 57% of the Department's expenditure is estimated to be on the Pradhan Mantri Krishi Sinchai Yojna (PMKSY), followed by the National River Conservation Plan (9.4%), Namami Gange (8.9%), and Water Resources Management (8.6%).

### Urban Development

The urban population contributes about 63% to Indian GDP at present, the same is expected to rise to 75% by 2030. A large number of new towns emerged during the

decade, contributing significantly to the speeding up of urbanization. The urban population will be the driver of the Indian economy, contributing about three-fourth of the GDP by 2030.



With an aim to improve the quality of life and attract investments to the City, setting in motion a virtuous cycle of growth and development, the government of India has launched various urban development schemes. In the union budget 2020-21, the Ministry of Housing and Urban Affairs have been allocated a sum of ₹ 50,040 crores as follows:

Schemes	2020-21 Budget Estimates (₹ In crores)
Metro	20,000
PMAY (Urban)	8,000
AMRUT	7,300
Smart Cities	6,450
SBM (Urban)	2,300
DAY-NULM	795
Projects in North - Eastern Region	150
Others	5,045
<b>Total</b>	<b>50,040</b>

## Mining



India has a considerable advantage regarding the production and conversion costs involved in steel and alumina. The location provides strategic edge over other countries, giving rise to opportunities to develop at the pace of other fast-developing Asian economies. The rise in infrastructure and improved automotive production are crucial factors for the growth of the sector. The demand for iron and steel is expected to remain high, on the back of more residential and commercial construction.

In the Union Budget 2020, it was announced that the government will introduce numerous progressive policy reforms in the coal sector, as a part of its Atmanirbhar Bharat initiative. To increase the self-reliance regarding coal production, import of substitutable coal will be reduced. The government is looking to introduce more competition, transparency and motivate private sector participation in the sector by executing the following measures:

- ➔ Introduction of revenue sharing mechanism, which will replace the fixed Rupee/tonne, to allow any party to bid for a coal block

- ➔ Liberalisation of entry norms with no eligibility conditions and only upfront payment with a ceiling
- ➔ Exploration, production and the auction of partially explored block
- ➔ Incentives for earlier-than-scheduled production and coal gasification/liquefaction

The Mineral Laws (Amendment) Bill, 2020 was introduced on 2<sup>nd</sup> March 2020 in Lok Sabha, which underlines the efforts of the government to improve the ease of doing business in the mining sector. The Bill allows the companies acquiring Schedule-II and Schedule-III coal mines to use the mining operations for their own consumption, or other activities, as specified by the Central government. A composite license for prospection and mining, changes in the non-exclusive reconnaissance and transfer of statutory clearances to the new bidders are among the numerous steps to be taken under the Bill.

## Railways



India's railway network is recognised as one of the largest railway systems in the world



under single management. Indian Railways route length network is spread over 1,23,236 kms, with 13,452 passenger trains and 9,141 freight trains plying 23 million travellers and 3 million tonnes (MT) of freight daily from 7,349 stations. Railway infrastructure is expected to see an investment of ₹ 50 lakhs crores by 2030.

Key highlights of union budget for railways and metro:

- ➔ Electrification of 27,000 kms of tracks
- ➔ Setting-up a large solar power capacity alongside the rail tracks on the land owned by the railways
- ➔ Re-development projects for 4 stations and operation of 150 passenger trains would be done through PPP mode
- ➔ Increase in the number of Tejas type trains
- ➔ High speed trains between Mumbai – Ahmedabad
- ➔ 148 kms Bengaluru sub-urban transport project worth of ₹ 18,600 crores would be implemented on metro rail model
- ➔ Proposal of setting up of “Kisan Rail” through PPP arrangements

In the union budget 2020–21, the Ministry of Railways has been allocated ₹ 72,216 crores. The Union Budget reinforces the importance of raising resources through PPP for network strengthening, connectivity and modernization of Indian Railways. In light of the announcement by the honourable Finance Minister that bidding for various PPP projects is underway, it is clear that effective steps are being taken to make the sector

on railways amenable to private investment.

FDI Inflow in railway related components stood at USD 1.17 billion from April 2000 to March 2020. The Government planned to enhance metro connectivity by encouraging more public-private partnership (PPP) and ensuring completion of sanctioned works, while supporting Transit Oriented Development (TOD) to ensure commercial activity around transit hubs. With increasing participation expected from private players, domestic and foreign, due to favourable policy measures, both passenger and freight traffic is expected to grow rapidly over the medium to long term.

## Ports



Ports in India handle around 95 per cent of the international trade volume of the country. Increasing trade activities and private participation in port infrastructure is set to support port infrastructure activity in India. To improve the efficiency of ports in the country, the government will set up a framework and look at corporatisation of at least one major port. The capital cost of the Internal Waterway network, as planned, is estimated at

over ₹ 22,763 crores. In addition, there would be capital spent on terminals, jetties, godowns, manufacturing/repair yards, as well as vessels/boats, the estimates of which are not readily available.

Under Sagarmala, 574 projects for the modernization and connectivity of ports, port-led industrialization and coastal shipping routes have been approved. The identified projects will garner an investment of nearly ₹ 6.01 lakhs crores and will be executed between 2015–2035. Out of the total, 121 projects, having a total investment of ₹ 3,000 crores will be completed and 200 projects, with an investment of more than ₹ 3 lakhs crores are under construction. The respective authorities/government departments will be responsible for the implementation of the projects, primarily through private/PPP mode. Sagarmala Development Company Limited (SDCL) has been incorporated for providing equity support for project-specific special purpose vehicles (SPVs) set up by the implementing agencies.

The projects identified consist of 236 port modernisation projects with an investment of more than ₹ 1 lakhs crores, 235 connectivity projects with an investment of over ₹ 2 lakhs crores, and 35 port-led industrialisation projects with an investment of over ₹ 2 lakhs crores. Master plans have been finalised for all the 12 major ports. They involve investments valued at more than

₹ 50,000 crores in 92 port capacity expansion projects to be implemented in the coming 20 years, which is expected to add a capacity of 712 million tonnes per annum (MTPA). Additionally,

two new projects are scheduled to be set up at Vadhavan in Maharashtra and Paradip Outer Harbour in Orissa.

## Airports



India is continuously developing at a rapid speed, which has given rise to a number of domestic as well as international airports across the country. The government owned Airports Authority of India (AAI) operates 125 airports and civil enclaves throughout the India. In the union budget 2020-21, an allocation of ₹ 1.7 lakh crore has been proposed for transport infrastructure. It was announced that 100 airports are to be developed and constructed across the country by the end of 2024 in order to support the UDAN – Ude Desh ka Aam Naagrik – scheme, which was launched by government in 2017. These airports will be developed under Public Private Partnership (PPP) model.

UDAN scheme is set to provide affordable air connectivity to citizens residing in tier two and tier three cities across the country. The scheme is funded by the central and the state governments, with the state government providing 20% of the funds.



## COMPANY OVERVIEW

Dilip Buildcon Limited (DBL) is India's foremost infrastructure company, with strong capabilities in roads & bridges, 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 ₹ 191 bn. 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 12,833 vehicles. DBL's time management skills are unmatched with more than 95% of the projects getting completed before deadline, suitable reflected in receipt of early completion bonus of ₹ 5,655 million in the last eight 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. Out 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, which is good in quality and also cost-effective, following products are manufactured by our group companies:

- ➔ Manufacturing of high-quality road furniture i.e. octagonal street light poles, metal beam crash barrier, retro reflective signage, road marking paint, bus shelter, overhead gantries, overhead cantilevers, reinforced earth walls, etc.
- ➔ Manufacturing, producing, casting, recycling, upcycling, assembling, reconstructing, engineering and other related activities of all kinds of plant & machineries’ s tools like tooth point, jaw plates, cone metal, wear plates, bearing plates etc.
- ➔ Manufacturing of strip seal expansion joint, structural elastomeric bearing used in bridges

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 reusing the road furniture, the foundry repurposes the metal scraps.

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

A total fleet of 12,833 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, 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 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. Every department, from building construction, business development & tendering, engineering, contract management, design & technical audit, and equipment management have been awarded broad responsibilities.

#### **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 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.

#### **Business diversification**

DBL is one of the leading full service infrastructure company. Primarily with the order book from just road construction two decades ago, the Company has now successfully forayed and diversified into business segments which include Roads, Bridges, Canals, Tunnels, Metros, Airports, Mining, Irrigation, and Urban development. At present the Company order book consists orders from MoRTH, NHAI, AAI, Coal India and other central & state government undertakings. The technical experience is getting richer and with every entry into newer segments, the range of in-house capabilities is continuously expanding. The Company will continue to look into newer opportunities and keep diversifying its order book.

#### **In-house execution team brings the edge in project completion**

DBL is one of the largest in-house execution teams in India. With a workforce of 38,569, training with the original equipment manufacturers and development of managerial talent is a continuous endeavour for us.

### 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. 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 endeavour to lessen the Net Working Capital further by reducing the number of project sites, reducing inventory, and improving the share of mining which has fortnightly payments.

### 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.

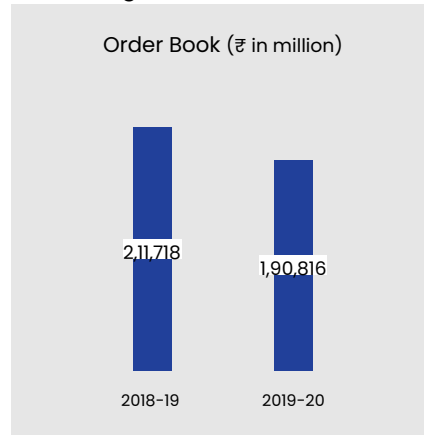
## DBL's FINANCIAL AND OPERATIONAL PERFORMANCE

### Overview of Performance for DBL as Consolidated entity

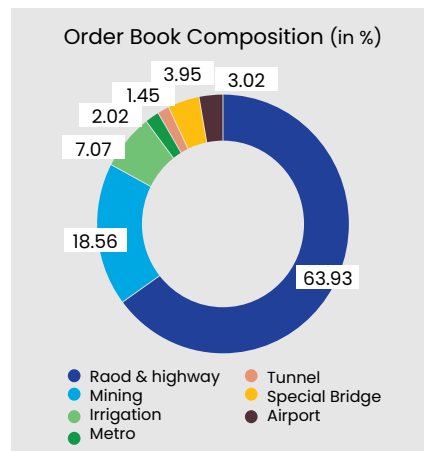
#### Order Inflow and Order Book

DBL group secured new orders worth ₹ 67,250 million for the year

2019-20, registering a growth of 10% over the previous year order inflow of ₹ 61,257 million. DBL has won new orders across 5 sectors i.e. road, mining, airport, special bridge and irrigation which shows diversified business approach. New orders have been won in 6 states which proves DBL's geographical spread. DBL is disciplined in bidding projects at desired margins which DBL will not compromise only for the sake of winning projects and increasing order book.



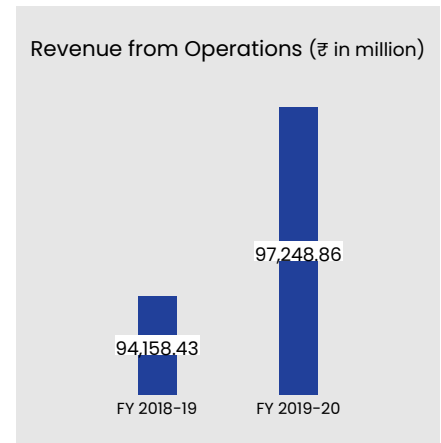
#### Order Book Composition



#### Revenue from Operations

The Consolidated Revenue grew by 3.3% from ₹ 94,158.43 million

in the financial year 2018-19 to ₹ 97,248.86 million in the financial year 2019-20. The growth was largely contributed by increase in interest income on financial asset, toll & annuity revenue and other operating revenue.



#### Operating Cost and PBDIT

During the financial year 2019-20, Manufacturing, Construction and Operating (MCO) expenses was at par with the previous year. These expenses mainly comprise cost of construction and change in inventories.

Staff expenses for the financial year 2019-20 at ₹ 1,993.75 million increased by 11.53% as compared to the previous year amounted to ₹ 1,787.68 million mainly due to increase in salaries, wages & bonus and provident fund.

The Consolidated Operating Profit (PBDIT) before exceptional items increased by 16.16% at ₹ 21,051.70 million for the financial year 2019-20 as compared to ₹ 18,122.90 million in the previous year.

#### Depreciation and Amortisation

Depreciation & Amortisation expenses for the financial year 2019-20 increased by 29.90% at ₹ 4,704.76 million as compared to ₹

3,621.95 million in the previous year mainly due to capital expenditure at standalone level.

### Other Income

Other income for the financial year 2019-20 decreased by 20.39% at ₹ 376.66 million as compared to ₹ 473.12 million of the previous year.

### Finance Cost

The interest expense for the financial year 2019-20 at ₹ 11,356.02 million was higher by 30.25% in comparison to ₹ 8,718.61 million for the previous year with increase in the level of borrowings.

### Profit after Tax

Consolidated Profit after Tax (PAT) including Other Comprehensive Income at ₹ 4,071.98 million for the financial year 2019-20 fell by 25.47% as compared to ₹ 5,463.56 million in the previous year mainly due to increase in depreciation and amortisation charge, finance cost and tax.

### Earning Per Share

Consolidated Earnings per share (EPS) including for the financial year 2019-20 at ₹ 29.64 recorded a decrease of 25.94% over the previous year.

### Net Worth, Capital Employed and Returns

The Net Worth of the shareholders stood at ₹ 33,035.35 million as at March 31, 2020 as compared to ₹ 28,347.96 million as at March 31, 2019. Capital employed increased to ₹ 1,15,750.29 million as at March 31, 2020 as compared to ₹ 97,197.95 million as at March 31, 2019. Return on Net worth (RONW) for the financial year 2019-20 decreased to 13.27% as compared to 21.32% in the previous year.

### Liquidity and Gearing

Cash balances increases to ₹ 7,885.90 million in the financial year 2019-20 as compared to ₹ 5,210.93 million in the previous year. Net debt to equity ratio has increased to 2.50x as at March 31, 2020 as compared to 2.43x as at March 31, 2019 mainly due to increase in borrowings of subsidiaries.

### Consolidated Cash Flow Statement

Particulars	2019-20	2018-19
Net Cash Generated from Operating Activities (A)	440.14	11,694.78
Net Cash Used in Investing Activities (B)	(2,784.17)	(25,120.62)
Net Cash Generated from Financing Activities (C)	5,019.00	15,691.28
Cash & Cash Equivalents (D=A+B+C)	2,674.97	2,265.43
Cash and Cash Equivalents at the beginning (E)	5,210.93	2,945.50
Cash and Cash Equivalents at the end (F=D+E)	7,885.90	5,210.93

The total borrowings as at March 31, 2020 stood at ₹ 83,486.08 million as compared to

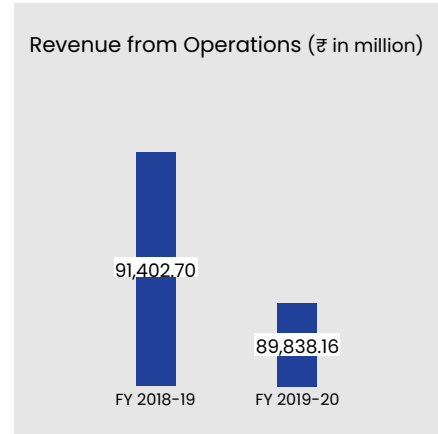
₹ 69,503.23 million as at March 31, 2019.

### Overview of Performance for DBL as Standalone entity

#### Revenue from Operations

The Standalone Revenue decreased by 1.71% to ₹ 89,838.16 million for the financial year 2019-20 from ₹ 91,402.70 million in the financial year 2018-19. The

decrease was mainly due to extended monsoon season across the country.



### Operating Cost and PBDIT

Manufacturing, Construction and Operating (MCO) expenses decreased by 1.69% y-o-y at

₹ 70,131.59 million which was in line with revenue de-growth. These expenses mainly comprise cost of construction and change in inventories.

Staff expenses for the financial year 2019-20 at ₹ 1,957.79 million increased by 10.39% as compared to the previous year mainly due to increase in salaries, wages & bonus and provident fund.

The standalone operating profit (PBDIT) before exceptional items declined by 2.87% at ₹ 16,033.14 million for the financial year 2019-20 as compared to ₹ 16,507.68 million in the previous year.

### Depreciation & Amortisation

Depreciation & Amortisation charge for the financial year 2019-20 higher by 32.46% at

₹ 4,241.21 million as compared to ₹ 3,201.88 million in the previous year due to capital expenditure.

### Other Income

Other income for the financial year 2019-20 higher by 28.56% at ₹ 312.90 million as compared to ₹ 243.38 million in the previous year. This is mainly due to Interest from banks on deposits.

### Finance Cost

The interest expense for the financial year 2019-20 at ₹ 6,126.85 million was higher by 15.63% in comparison to ₹ 5,298.79 million for the previous year.

### Profit After Tax

Standalone Profit after Tax (PAT) including Other Comprehensive Income at ₹ 4,267.09 million for the financial year 2019-20 declined by 44.14% as compared to ₹ 7,638.50 million in the previous year.

### Earning Per Share

Standalone Earnings per share (EPS) for the financial year 2019-20 at ₹ 31.07 recorded a decline of 44.44% over the previous year.

### Net Worth, Capital Employed and Returns

The Net Worth of the shareholders at ₹ 36,059.91 million as at March 31, 2020 increased by

₹ 4,015.69 million as compared to ₹ 32,044.22 million as at March 31, 2019. Capital employed decreased to ₹ 65,402.95 million as at March 31, 2020 as compared to ₹ 65,919.75 million as at March 31, 2019 mainly due to lower level of borrowings as at March 31, 2020. Return on Net worth (RONW) for the financial year 2019-20 declined to 12.53% as compared to 26.98% in the previous year.

### Liquidity and Gearing

Stronger underlying business

performance contributed higher cash from business operations at ₹ 18,529.20 million in the financial year 2019-20. Cash balances increases to ₹ 3,219.15 million in the financial year 2019-20 as compared to ₹ 1,887.95 million in the previous year. Net debt to equity ratio has decreased to 0.81x as at March 31, 2020 as compared to 1.06x as at March 31, 2019.

### Standalone Cash Flow Statement

Particulars	2019-20	2018-19
Net Cash Generated from Operating Activities (A)	18,529.20	7,511.79
Net Cash Used in Investing Activities (B)	(7,708.76)	(8,128.40)
Net Cash Generated/(Used) in Financing Activities (C)	(9,489.24)	891.59
Cash & Cash Equivalents (D=A+B+C)	1,331.20	274.97
Cash and Cash Equivalents at the beginning (E)	1,887.95	1,612.98
Cash and Cash Equivalents at the end (F=D+E)	3,219.15	1,887.95

### 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.

### HUMAN CAPITAL

As of 31<sup>st</sup> March 2020, the number of employees in the company is 38,569. 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 social security and retirement benefits to the employees and their legal heir/family member's, the company has provided the Provident Fund benefits to all the employees working at various projects of the company. Over 38,569 employees/ family members are getting benefited from this scheme. This scheme covers the following special benefits:

- ➔ Provident Fund benefits
- ➔ 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

**HR benefits policies and welfare schemes:**

- ➔ 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

#### 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.

*Sources: 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, PRSIndia, Economic Survey (2019-20), Demands for Grants (2020-21) of Ministry of Road Transport and Highways, India.gov.in, FICCI – Economic outlook survey (2020-21)*



# Business Responsibility Report

## About this Report

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 prescribe that to 1000 Companies based on market capitalization as per NSE/BSE as on 31<sup>st</sup> 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 500 companies based on the market capitalisation as on 31<sup>st</sup> March, 2020, 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, 2019 – March 31, 2020
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
- iv) 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.

Sr. No.	Name of States
1	Andhra Pradesh
2	Chhattisgarh
3	Goa
4	Haryana
5	Jharkhand
6	Karnataka
7	Maharashtra
8	Madhya Pradesh
9	Punjab

Sr. No.	Name of States
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

- Paid up Capital (₹)** – 1,367.69 million
- Total Turnover (₹)** – 898.38 million
- Total profit after taxes (₹)** – 4,249.75 million
- Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) (₹)**  
The Company's total spending on CSR for the year ended 31<sup>st</sup> March, 2020 was ₹ 19.26 million which is 0.31 % of the Average net profit of last three financial years. Computed as per the provision of the Companies Act, 2013.
- List of activities in which expenditure in above has been incurred during FY 2019–20:**
  - Promoting Health and Preventive Care
  - Education
  - Promoting Sports
  - Rural Development Projects
  - Road Safety

### Section C: Other Details

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

Yes, the company has 31 SPVs (includes Wholly Owned Subsidiaries, Subsidiaries and Associates) as on 31<sup>st</sup> March, 2020. The details are as follows.

Sr. No.	Name of the Company	Status
1	DBL Tuljapur AUSA Highways Limited	Subsidiary
2	DBL Yavatmal Wardha Highways Private Limited	Subsidiary
3	DBL Lucknow Sultanpur Highways Limited	Subsidiary
4	DBL Patan Rehli Tollways Limited	Subsidiary
5	Jalpa Devi Tollways Limited	Subsidiary
6	DBL VPR Mining Pvt. Ltd.	Subsidiary
7	DBL Pachhvara Coal Mine Pvt. Ltd.	Subsidiary
8	DBL Mundargi Harapanahalli Tollways Limited	Wholly Owned Subsidiary
9	DBL Hassan Periyapatna Tollways Limited	Wholly Owned Subsidiary
10	DBL Hirekerur Ranibennur Tollways Limited	Wholly Owned Subsidiary
11	DBL Kalmath Zarap Highways limited	Wholly Owned Subsidiary
12	Jalpa Devi Engineering Private Limited	Wholly Owned Subsidiary
13	Bhavya infra & systems private limited	Wholly Owned Subsidiary
14	DBL Mahagaon Yavatmal Highways Private Limited	Wholly Owned Subsidiary
15	DBL Wardha Butibori Highways Private Limited	Wholly Owned Subsidiary
16	DBL Betul-Sarni Tollways Limited	Wholly Owned Subsidiary
17	DBL Chandikhole Bhadrak Highways Pvt. Ltd.	Wholly Owned Subsidiary
18	DBL Bangalore Nidagatta Highways Pvt. Ltd.	Wholly Owned Subsidiary
19	DBL ANANDAPURAM ANAKAPALLI HIGHWAYS PRIVATE LIMITED	Wholly Owned Subsidiary
20	DBL Gorhar Khairatunda Highways Pvt. Ltd.	Wholly Owned Subsidiary
21	DBL Nidagatta Mysore Highways Pvt. Ltd.	Wholly Owned Subsidiary
22	DBL Rewa Sidhi Highways Pvt. Ltd.	Wholly Owned Subsidiary
23	DBL Byrapura Challakere Highways Pvt. Ltd.	Wholly Owned Subsidiary
24	DBL Mangloor Higways Pvt. Ltd.	Wholly Owned Subsidiary
25	DBL Sangli Borgaon Highways Pvt. Ltd.	Wholly Owned Subsidiary
26	DBL Borgaon Watambare Highways Pvt. Ltd.	Wholly Owned Subsidiary
27	DBL Mangalwedha Solapur Highways Pvt. Ltd.	Wholly Owned Subsidiary
28	DBL Bellary Byrapura Highways Pvt. Ltd.	Wholly Owned Subsidiary
29	DBL HATA-Dargawon Tollways Limited	Wholly Owned Subsidiary
30	Deevin Seismic Systems Private Limited	Wholly Owned Subsidiary
31	DBL Nadiad Modasa Tollways Limited	Associate

**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)**

Subsidiary Company/ Companies does not participate in the BR Initiatives of DBL.

**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%]**

Although, Dilip Buildcon Limited encourages its associates and partners to participate in the Business Responsibility initiative, but during the Financial Year 2019-20, no other entity/entities have participated

**Section D: BR Information**

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

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

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

**(b) Details of the BR head**

Sr. No.	Particulars	Details
1	DIN	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

Sr. 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	DBL is a tender based company
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	
3	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	N	N	N	N	N	N	N	N	
4	Has the policy been 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	
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	
6	Indicate the link for the policy to be viewed online?	- Policies are available on the company's website: www.dilipbuildcon.com								
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	DBL is a tender based company
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	

### 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 (UPS). Also refer detailed report on Corporate Governance which is part of Annual Report for the Financial Year 2019-20.
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

		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 2019-20.
P9	Customer Value	As DBL is a tender based Company, Customer Value is not applicable

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

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	Policy 9 Being a tender based company, DBL tries to deliver maximum value to its customers.								
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)									

### 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**

There is no defined frequency. However, the BR performance of the Company is periodically 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 fourth 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**

**1. 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?**

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.

**2. 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, 2019	Received During Financial Year 2019-20	Redressed During Financial Year 2019-20	Pending as on March 31, 2020
Shareholder Complaints	NIL	5	5	NIL

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

**1. 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.

**2. 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?**

DBL is an Infra Company, so this is not applicable

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

DBL is an Infra Company, so this is not applicable

**3. 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 was sourced was FSC certified.

Material details for sustainable sourcing is as follows:

Sr. No.	Product Details	Qty (Used)	~Amount (in ₹ million)
1	Fly Ash	1,13,023 mt	81.97
2	Geo Green	2,95,533 sqm	24.17
3	Crush Dust	18,52,789.02 mt	609.33
4	Wash Sand	32,64,071.08 mt	1,420.89
5	GGBS	11,94,152 mt	560.88

**4. 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.

**5. 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%).**

DBL is trying to recycle the products and waste which is up to 9% of the total projects.

**Principle 3. Employee well-being****1. Please indicate the Total number of employees.**

The total numbers of employees of the company and it's subsidiaries are 38,569 and 158 respectively as on March 31, 2020.

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

37 Employees

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

45 Women Employees

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

27 Employees

**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.**

Sr. 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**

Sr. No.	Category of Employees	Safety Drill	Skill Upgradation Hours
1	Permanent Employees	2,806.5 Hours (No. of Training-1,871, Candidate-39,984)	3,487 Hours
2	Permanent Women Employees	NIL	0
3	Casual/Temporary/Contractual Employees	1,572 Hours (No. of Training-3,144, Candidate-44,142)	1,572 Hours
4	Employees with Disabilities	NIL	0

**Technical training programs conducted for employees:**

1. Training on O&M of CAT Motor Grader and Backhoe Loader (294 manhours)
2. Training & Initialization of TCAD+ Instrument in Sandvik Jumbo DT821C (104 manhours)
3. Training on Epiroc Breakers (136 manhours)
4. Training at Corporate Office, Bhopal for Weigh Bridge (108 manhours)
5. Training session on Inventory Management for Civil Stores (38 manhours)

**Other training programs conducted for employees:**

1. Approx. 47 Nos. Health check-up and HIV awareness programs.
2. 22 Nos. Safety & Road Traffic awareness related programs arranged at all over DBL sites.
3. 19 Nos. Tree Plantation & Environment Awareness Activities at all over DBL sites.
4. 16 Nos. Swachhata Pakhwada Activities.
5. 11 Nos. Blood Donation Camps & 06 Nos. Eye Check-up Camps.
6. 07 Nos. National Safety Day organised.
7. 10 Nos. Covid Pandemic Awareness Campaigns.

#### **Principle 4. Stakeholders Engagement**

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

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?**

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?**

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?**

During the past financial year, no stakeholder complaints, relating to violation of human rights, have been received

#### **Principle 6. Environment Protection**

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

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.**

DBL is trying to address various environmental issues. Company is certified for their office building space in Madhya Pradesh built with the highest green standards.

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

DBL identifies and assess its potential environmental risks.

**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?**

The company does not have any project related to Clean Development Mechanism, therefore this is 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.**

DBL has a multi-pronged approach to manage 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. DBL has various program into consideration like afforestation, energy saving etc. A detailed policy for this has been placed on the Website of the Company- [www.dilipbuildcon.com](http://www.dilipbuildcon.com)

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

Since DBL is an Infra Company, there is very less Emissions/Waste generated by the 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 queries are pending from the concerned authority as on end of Financial year.

**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:**

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

**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)**

DBL advocates through above associations for the advancement or improvement of Public Good. 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?**

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 ₹ 19.26 million in the financial year 2019-20. 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?**

The 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.**

No cases are pending from customers, being a tender based company, DBL tries to deliver maximum value to its customers.

**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)**

DBL is a tender based company which tries to deliver maximum value to its customers. All relevant informations are available on its website <http://www.dilipbuildcon.com/>

**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.**

DBL is a tender based company which tries to deliver maximum value to its customers. The Company tried to resolve all kind of queries and notices

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

The company had done various survey to get feedback from the Customers to improve the services. Being a tender based company, DBL tries to deliver maximum value to its customers.

## Notice

**NOTICE** is hereby given that the 14<sup>th</sup> Annual General Meeting of the Members of Dilip Buildcon Limited will be held on Monday, September 28, 2020 at 11 A.M. through video conferencing ("VC")/Other Audio Visual Means ("OAVM") for which purposes the Registered office of the company situated at Plot No. 5 Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.) shall be deemed as the venue for the Meeting and the proceedings of the Annual General Meeting shall, to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited 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, 2020 together with the Report of the Board and Auditors thereon; and the Audited 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, 2020 together with the Report of the Auditors thereon;
2. To declare Final Dividend on equity shares of ₹ 10/- each of the Company for the financial year ended March 31, 2020;
3. To appoint a Director in place of **Mr. Devendra Jain (DIN: 02374610)**, who is liable to retire by rotation, being eligible and offers himself for re-appointment;

### SPECIAL BUSINESS:

4. **TO CONSIDER AND RATIFY THE REMUNERATION OF THE COST AUDITOR FOR THE FINANCIAL YEAR 2020-21**

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 ratifies the remuneration of ₹ 50,000/- (Rupees Fifty Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses at actuals for travelling and boarding/lodging for the financial year ending March 31, 2021 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, 2021."

5. **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, 179 and other applicable provisions, if any, of the Companies Act, 2013, read with 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 ₹ 1,000 Crores (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 ₹ 1,000 crores (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 of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any committee thereof) 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."

6. **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, 179 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 ₹ 1,000 Crores (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 ₹ 1,000 Crores (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."

**7. TO CONSIDER AND APPROVE THE LIMIT OF ₹ 551.00 CRORES UNDER SECTION 185 OF COMPANIES ACT, 2013 FOR PROVIDING LOANS/GUARANTEE/ 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 ₹ 551.00. Crores Only (Rupees Five Hundred Fifty One 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, as 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.”

**8. TO CONSIDER AND APPROVE THE AUTHORISATION 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, 41, 42 and 62(1)(c) and other relevant 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 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, 2018, as amended and the 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" which term shall be deemed to include any committee constituted or to be constituted by the Board to exercise its powers including the power conferred by the resolution or any person(s) authorized by the Board or its committee for such purpose"), 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 the face value of ₹ 10 (Rupees. Ten) 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 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 ₹ 2,000 Crores (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 or transferred 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 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(ies) or Regulatory Institution(s), 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 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 Director(s)/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.

**By order of the Board of Directors**

**Abhishek Shrivastava**  
**Company Secretary**

**Registered Office**

**Plot No. 5, Inside Govind Narayan Singh  
Gate, Chuna Bhatti, Kolar Road, Bhopal (M.P) -462016**

**CIN: L45201MP2006PLC018689**

**Tel No: 0755-402999**

**Email Id: db@dilipbuildcon.co.in**

**Website: www.dilipbuildcon.com**

**Place: Bhopal**

**Date: 14.08.2020**

**Notes:**

1. Considering the present and continuing Covid-19 pandemic requiring social distancing, the Ministry of Corporate Affairs ("MCA") has vide its circular No. 20/2020 dated May 5, 2020 read together with circulars No. 14/2020 dated April 8, 2020 and No. 17/2020 dated April 13, 2020 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India (SEBI) vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 permitted convening the Annual General Meeting ("AGM"/"Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue.
2. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the 14<sup>th</sup> Annual General Meeting of the Company is being conducted through Video Conferencing ("VC") (hereinafter referred to as "AGM" or "e-AGM"). In accordance with the Secretarial Standard - 2 on General Meeting issued by the Institute of Company Secretaries of India (ICSI) read with Guidance/Clarification dated April 15, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the e-AGM. Members can attend and participate in the e-AGM through VC/OAVM only.
3. The details of technology provider and helpline number regarding any query/assistance for participation/e-voting in the e-AGM through VC/OAVM are as under:
 

Name	Mr. Rajiv Ranjan Asst. Vice President- E- voting
Address	Link Intime India Private Limited C-101, 247 Park, LBS Marg, Vikhroli (W) Mumbai- 400083
Phone no.	(022) 49186175/49186270
Email	enotices@linkintime.co.in
4. The relevant statement pursuant to Section 102(1) of the Companies Act, 2013 related to the Special Business under item no. 4 to 8 of the accompanying notice to be transacted at the e-Annual General Meeting is annexed hereto.
5. Pursuant to the provisions of the Companies Act, 2013, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF WHO MAY OR MAY NOT BE A MEMBER OF THE COMPANY. Since this e-AGM is being held pursuant to the MCA and SEBI Circulars through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), physical attendance of Members has been dispensed with, there is no requirement for appointment of proxies. The facility for appointment of proxies by the Members will not be available for the e-AGM, hence attendance slip/route map/proxy form are not annexed to this notice.
6. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the scrutiniser through its registered email address at piyush@dpaandassociates.com with a copy marked to Registrar and Transfer Agent i.e. Link Intime India Private Limited, rnt.helpdesk@linkintime.co.in and to the Company at eagm@dilipbuildcon.co.in.
7. In terms of the provisions of Section 152 of the Act, Mr. Devendra Jain (DIN: 02374610), Whole-time Director of the company, liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. 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 as set out below are annexed hereto.

8. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
9. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) is Link Intime India Private Limited having office at C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai -400083.
10. Owing to the difficulties involved in dispatching of physical copies of the financial statements (including Board's report, Auditor's report or other documents required to be attached therewith), due to Covid -19 situation, such statements shall therefore be sent only by email to the members, trustees for the debenture holder of debentures issued by the Company and to all other persons so entitled. Further, the notice for e-AGM shall be given only through emails registered with the Company or with the RTA or with the depositories.
11. In terms of the MCA Circulars and in the view of the Board of Directors, all matters included in this Notice are unavoidable and hence are proposed for seeking approval at this AGM. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members upto the date of the e-AGM. All documents referred to in the accompanying Notice and the Explanatory Statement have been uploaded on the website of the Company at [www.dilipbuildcon.com](http://www.dilipbuildcon.com). All shareholders will be able inspect all documents referred to in the Notice electronically without any fee from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [eagm@dilipbuildcon.co.in](mailto:eagm@dilipbuildcon.co.in)
12. The Members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice.
13. As per the MCA Circular up to 1000 members will be able to join the e-AGM on a first-come-first-served basis. However, this restriction shall not apply to large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.
14. As per the MCA Circular, Members attending the e-AGM through VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act. Hence, the members who log-in to the video conferencing platform using the remote e-voting credentials shall be considered for record of attendance of such member for the e-AGM and such member attending the meeting will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
15. **DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:** In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website [www.dilipbuildcon.com](http://www.dilipbuildcon.com), websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and Company's Registrar and Transfer Agent, Link Intime India Private Limited at <http://instavote.linkintime.co.in>
16. **REMOTE E-VOTING:** Pursuant to the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of Listing Regulations, and the MCA Circulars, the Company is providing facility of remote e-voting to its Member through Company's Registrar and Transfer Agent i.e. Link In time India Private Limited. Kindly refer Note no. 32 below for detailed instructions for remote e-voting.

17. **JOINING/ATTENDING E-AGM THROUGH INSTAMEET:** Member will be provided with a facility to attend the e-AGM through video conferencing platform provided by Link Intime India Private Limited. Members may access the shareholder's/member's login by using the remote e-voting credentials. For detailed instructions, kindly refer note no. 33 given below for participating in e-AGM through VC/OAVM.
18. **VOTING DURING THE E-AGM THROUGH INSTAMEET:** Members who are present at the e-AGM through VC/OAVM and have not cast their vote on resolutions through remote e-voting may cast their vote during the e-AGM through the e-voting system provided by Link Intime India Private Limited during the e-AGM. Facility to cast vote through Insta Poll will be made available on the Video Conferencing screen and will be activated once the Insta Poll is announced at the Meeting. Kindly refer Note no. 33 below for instructions for e-voting during the AGM.
19. **TO SPEAK DURING THE E-AGM THROUGH INSTAMEET :** Members will be provided with a facility to attend the e-AGM through video conferencing platform provided by Link Intime India Private Limited. For detailed instructions, kindly refer note no. 33 given below to speak during the e-AGM through Instameet.
20. **SUBMISSION OF QUESTIONS/QUERIES PRIOR TO E-AGM:**
- Members desiring any additional information with regard to Accounts/Annual Reports or has any question or query are requested to write to the Company Secretary on the Company's email-id i.e. eagm@dilipbuildcon.co.in at least 10 days before the date of the e-AGM, so as to enable the Management to keep the information ready. Please note that, members questions will be answered only if they continue to hold the shares as of cut-off date.
  - In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs")
- and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under help section or write an email to enotices@linkintime.co.in or Call at :- Tel : 022 - 49186175/49186270.
21. The Company has fixed Monday, September 21, 2020 as the cut-off date for identifying the Members who shall be eligible to vote through remote e-voting facility or for participation and voting in the e-AGM. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to vote on the resolutions through the facility of Remote e-Voting or participate and vote in the e-AGM.
22. The Register of Members and the Share Transfer Books of the Company shall remain closed from Tuesday, September 22, 2020 to Monday, September 28, 2020 (both day inclusive) for the purpose of 14<sup>th</sup> AGM and distribution of Dividend for the Financial Year 2019-20.
23. The Board of Directors have recommended a final dividend of Re. 1/- per equity share of ₹ 10/- each for the financial year 2019-20. The dividend on equity shares for the financial year 2019-20, if declared by the shareholder of the Company, will be paid within a period of 30 days from the date of the declaration at the Annual General Meeting.
24. 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 Monday, September 21, 2020, after giving effect to all valid transmission in physical form lodged on or before Monday, September 21, 2020 with the Company and/or its Registrar and Share Transfer Agent.
25. Payment of dividend shall be made through electronic mode to the Shareholders who have updated their bank account details. Dividend

Warrants/Demand Drafts will be dispatched to the registered address of the shareholders who have not updated their bank account details, after fully normalisation of the postal service. Kindly refer note no. 35 related to updation of bank account mandate for receiving dividend directly in the bank account of the members through ECS. To avoid delay in receiving dividend, shareholders are requested to update their bank details with their Depository Participants (where shares are held in dematerialised mode) and with Registrar and Transfer Agent i.e. Link Intime India Private Limited (where the shares are registered in physical mode).

26. Pursuant to Finance Act, 2020 and press release of Central Board of Direct Taxes, if the company declared the dividend, the company is not required to pay the Dividend Distribution Tax but the dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/R&T Agent i.e. Link Intime India Pvt. Ltd. (in case of shares held in physical mode) and depositories (in case of shares held in demat mode). No communication on the tax determination/deduction shall be considered after cut-off date i.e. September 21, 2020. All communications/queries in this respect should be addressed to our RTA, Link Intime India Private Limited to its email address dbldivtax@linkintime.co.in. Kindly refer note no. 36 below for instructions.

For Resident Members, tax shall be deducted at source under Section 194 of the Income Tax Act, 1961.

Members having a valid PAN	7.5% or as notified by the Government of India
Members not having PAN/valid PAN	20% or as notified by the Government of India

No tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by the resident shareholders during Financial Year 2020-21 does not exceed ₹ 5,000/- . In case where the shareholder provides Form 15G /Form 15H and provided that all the required eligibility conditions are met, no tax will be deducted at source.

Apart from above cases following categories of shareholders are exempt from tax deduction at source:

- (a) Life Insurance Corporation of India [clause (a) to 2<sup>nd</sup> proviso to section 194]
- (b) General Insurance Corporation of India/The New India Assurance Company Ltd/United India Insurance Company Ltd/The Oriental Insurance Company Limited/National Insurance Company Ltd. [clause (b) to 2<sup>nd</sup> proviso to section 194]
- (c) any other insurer in respect of any shares owned by it or in which it has full beneficial interest [clause (c) to 2<sup>nd</sup> proviso to section 194].

The following payees are also not subject to TDS in view of the provisions of sections 196, 197A of the Income Tax. Act and CBDT notification:

- (a) Government [section 196(i)];
- (b) Reserve Bank of India [section 196(ii)];
- (c) a corporation established by or under a Central Act which is, under any law for the time being in force, exempt from Income-tax on its income[section 196(iii)];
- (d) Mutual Fund [section 196(iv)];
- (e) any person for, or on behalf of, the New Pension System Trust referred to in section 10(44) [subsection 1E to section 197A]; and



- f) Category I or a Category II Alternative Investment Fund (registered with SEBI as per section 115UB) as per Notification 51/2015 since their income, other than profits and gains of business and profession.

For Foreign Portfolio Investor (FPI) category Shareholders, taxes shall be deducted at source under Section 196D of the Income Tax Act, 1961 at 20% (plus applicable surcharge and cess) on the amount of dividend payable.

For other Non-resident Shareholders, taxes are required to be deducted in accordance with the provisions of Section 195 of the Income tax Act, 1961, at the rates in force. As per the relevant provisions of the Income tax Act, 1961, the tax shall be deducted at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to them. However, as per Section 90(2) of the Income tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder, if they are more beneficial to them. To avail benefit of rate of deduction of tax at source under DTAA, such non-resident shareholders will have to provide the following:

1. Self-attested copy of the PAN allotted by the Indian Income Tax authorities;
2. Tax residency certificate from the jurisdictional tax authorities confirming residential status [for the dividend declared in FY 2020-21] – TRC;
3. Declaration by the non-resident in prescribed form 10F;
4. Self-declaration by the non-resident shareholder as to:
  - Eligibility to claim tax treaty benefits based on the tax residential status of the shareholder, including having regard to the Principal Purpose Test (if any),

introduced in the applicable tax treaty with India;

- No Permanent Establishment/fixed base in India in accordance with the applicable tax treaty;
- Shareholder being the beneficial owner of the dividend income to be received on the equity shares.

In order to enable us to determine the appropriate tax rate at which tax has to be deducted at source under the respective provisions of the Income tax Act, 1961, we request you to upload the abovementioned details and documents in the format as provided by the Link Intime India Private Limited. Kindly refer note no. 36 below for instruction and/or on the email id eagm@dilipbuildcon.co.in by 05.00 p.m. IST on or before September 21, 2020.

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company of the documents submitted by Non-Resident shareholder.

Shareholders who are exempted from TDS provisions through any circular or notification may provide documentary evidence in relation to the same, to enable the Company in applying the appropriate TDS on Dividend payment to such shareholder.

A Resident individual member having valid PAN, subject to fulfilment of conditions specified in the Income Tax Act, 1961 can provide Form No. 15G/15H, to avail the benefit of non-deduction of tax at source. Resident shareholders may also submit any other document(s) as prescribed under the Income Tax Act, 1961 to claim a lower/Nil withholding tax. Mentioning PAN is mandatory for Members who will be providing Form 15G/15H or any other documents to claim a lower/Nil withholding tax. No tax shall be deducted on

the dividend payable to a resident individual shareholder if the total dividend to be received by them during Financial Year 2020-21 does not exceed ₹5000/-.

For Non-Resident members, taxes are required to be withheld in accordance with the provisions of the Income Tax Act, 1961, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess). Certain non-resident members may be eligible to avail the benefit conferred by the Double Tax Avoidance Agreement (DTAA), the Non-Resident members will have to provide certain documents viz; Tax Residency Certificate for FY 2020-21 from the jurisdictional tax authorities confirming residential status, Form IOF as prescribed under Income tax rules, self-attested copy of Permanent Account Number ('PAN') card, self-declaration in the format prescribed by the Company. In order to enable the Company to determine the appropriate tax rate at which tax has to be deducted at source under the respective provisions of the Income-tax Act, 1961, members are requested to upload the abovementioned details and documents in the format provided as provided by the Link Intime India Private Limited. Kindly refer Note no. 36 below for instruction and or on the email id eagm@dilipbuildcon.co.in by 05.00 p.m. IST on or before September 21, 2020.

27. In terms of section 72 of the Companies Act, 2013, Nomination facility is available to individual members holding shares in the physical form. The members who are desirous of availing this facility, may kindly write to the company R & T Agent i.e. Link Intime India Pvt. Ltd. for nomination form by quoting their folio number.
28. Pursuant to Section 124 of the Companies Act, 2013, the Company has unpaid or unclaimed dividends declared for the financial year 2016-17, 2017-18 and 2018-19 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 [www.dilipbuildcon.com](http://www.dilipbuildcon.com)
29. 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.

30. **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.
31. 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.

### 32. **PROCEDURE AND INSTRUCTION FOR REMOTE E-VOTING** (voting through electronic means)

#### ❖ **Log-in to e-Voting website of Link Intime India Private Limited (LIPL)**

1. Visit the e-voting system of LIPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
2. Click on "Login" tab, available under 'Shareholders' section.
3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".

## 4. Your User ID details are given below:

- a. Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8 Digit Client ID
- b. Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID
- c. Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No. + Folio Number registered with the Company

## 5. Your Password details are given below:

If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

	<b>For Shareholders holding shares in Demat Form or Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Bank Account Number	Enter the Bank Account number (Last Four Digits) as recorded in your demat account or in the company records for the said demat account or folio number. Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv-c).

## ❖ General Guidelines for shareholders:

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'.

They are also required to upload a scanned certified true copy of the board resolution / authority letter / power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund

/ Corporate Body' login for the Scrutinizer to verify the same.

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or Call us :- Tel : 022 – 49186175/49186270.

#### **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 Link Intime India Private Limited for conducting of the e-AGM and providing e-voting facility to all its members.
- ii) Members who are present at the e-AGM through VC/OAVM and have not cast their vote on resolutions through remote e-voting, may cast their vote during the e-AGM through e-voting system provided by Link Intime India Private Limited during the e-AGM, The members who had cast their vote by remote e-voting prior to the meeting may also attend the e-AGM but shall not be entitled to cast their vote again during the e-AGM.
- iii) The e-voting period commences on Friday, September 25, 2020 (9.00 a.m. IST) and ends on Sunday, September 27, 2020 (05.00 p.m. IST). The e-voting module shall be disabled by Link Intime India Private Limited 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) Voting rights of a member/beneficial owner (in case of electronic shareholding) shall be in proportion to his share 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 holding shares as on the cut-off date i.e September 21, 2020, may obtain the login ID and password by sending a request at [evoting@linkintime.co.in](mailto:evoting@linkintime.co.in) or contact Link Intime India Private Limited telephone number 022-49186175/49186270
- 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, 2<sup>nd</sup> Floor, Gurukripa Plaza, Zone -II, M.P. Nagar, Bhopal - 462011 has been appointed as the Scrutiniser to scrutinise the Remote e-voting and e-voting process during e-AGM in a fair and transparent manner.
- 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 and submit 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 [www.dilipbuildcon.com](http://www.dilipbuildcon.com) and websites of the Link Intime India Private Limited, [www.linkintime.co.in](http://www.linkintime.co.in). The result will simultaneously be communicated to the stock exchanges where the shares of the Company are listed within forty eight hours of the conclusion of the Annual General Meeting of the Company
- vii) 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 unpaid amount of dividend available for transfer to the Investor Education and Protection Fund (IEPF).
- viii) The "Event No." for the company is "200313."

33. **PROCEDURE AND MANNER FOR JOINING/ ATTENDING THE E-AGM THROUGH INSTAMEET ARE AS UNDER :**

- A. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

Select the "Company" and 'Event Date' and register with your following details: -

**A. Demat Account No.** or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
- Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
- Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company

**B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

**C. Mobile No.:** Enter your mobile number.

**D. Email ID:** Enter your email id, as recorded with your DP/Company.

- Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMeet website.

**B. INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS TO SPEAK DURING THE E- ANNUAL GENERAL MEETING THROUGH INSTAMEET**

1. Shareholders who would like to speak during the meeting must register their request 3 working days in advance before E-AGM with the company on the specific email id created for the general meeting i.e. [eagm@dilipbuildcon.co.in](mailto:eagm@dilipbuildcon.co.in).
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

**C. PROCEDURE AND INSTRUCTION TO VOTE DURING E-ANNUAL GENERAL MEETING THROUGH INSTA MEET**

Once the electronic voting is activated by the scrutinizer/moderator during the meeting, shareholders/members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/registered email id) received during registration for InstaMeet and click on 'Submit'.

3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

**Note:** Shareholders/Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/Members are encouraged to join the Meeting through Tablets/Laptops connected through broadband for better experience.

Shareholders/Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175/49186270.

#### 34. PROCEDURE FOR REGISTERING THE EMAIL ADDRESSES AND BANK DETAILS BY SHAREHOLDERS:

##### (i) For Temporary Registration for Demat shareholders:

The Members of the Company holding Equity Shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with Link Intime India Pvt Ltd by clicking the link: [https://linkintime.co.in/emailreg/email\\_register.html](https://linkintime.co.in/emailreg/email_register.html) in their web site [www.linkintime.co.in](http://www.linkintime.co.in) at the Investor Services tab by choosing the E mail Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, DPID, Client ID/ PAN, mobile number and e-mail id. In case of any query, a member may send an e-mail to RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

##### (ii) For Permanent Registration for Demat shareholders:

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.

##### (iii) Registration of email id for shareholders holding physical shares:

The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their e-mail addresses may get their e-mail addresses registered with Link Intime India Pvt Ltd, by clicking the link: [https://linkintime.co.in/emailreg/email\\_register.html](https://linkintime.co.in/emailreg/email_register.html) in their web

site [www.linkintime.co.in](http://www.linkintime.co.in) at the Investor Services tab by choosing the E mail / Bank Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN , mobile number and e mail id and also upload the image of share certificate in PDF or JPEG format. (upto 1 MB) . In case of any query, a member may send an e-mail to RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification

**(iv) Registration of Bank Details for physical shareholders:**

The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their bank details

can get the same registered with Link Intime India Pvt Ltd , by clicking the link: [https://linkintime.co.in/emailreg/email\\_register.html](https://linkintime.co.in/emailreg/email_register.html) in their web site [www.linkintime.co.in](http://www.linkintime.co.in) at the Investor Services tab by choosing the E mail/Bank Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number , PAN, e-mail id along with the he copy of the cheque leaf with the first named shareholders name imprinted in the face of the cheque leaf containing bank name and branch, type of account, bank account number, MICR details and IFSC code in PDF or JPEG format. In case of any query, a member may send an e-mail to RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

**35. PROCEDURE FOR RECEIVING DIVIDEND DIRECTLY IN THEIR BANK ACCOUNT THROUGH ECS**

Physical Holding	<p>Send a request to the Registrar and Transfer Agents of the Company, Link Intime India Private Limited at <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) for registering email address.</p> <p>Following additional details need to be provided in case of updating Bank Account Details:</p> <ol style="list-style-type: none"> <li>Name and Branch of the Bank in which you wish to receive the dividend;</li> <li>the Bank Account type;</li> <li>Bank Account Number allotted by their banks after implementation of Core Banking Solutions;</li> <li>9 digit MICR Code Number, and;</li> <li>11 digit IFSC Code; and</li> <li>scanned copy of the cancelled cheque bearing the name of the first shareholder.</li> </ol>
Demat Holding	<p>Please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.</p>

### 36. COMMUNICATION IN RESPECT OF DEDUCTION OF TAX AT SOURCE ON FINAL DIVIDEND PAYOUT

#### For all Shareholders:

The aforementioned forms for tax exemption can be downloaded from Link Intime's website. The URL for the same is as under:

<https://www.linkintime.co.in/client-downloads.html> - On this page select the General tab. All the forms are available in under the head "Form 15G/15H/10F"

The aforementioned documents (duly completed and signed) are required to be uploaded on the URL mentioned below <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> On this page the user shall be prompted to select / share the following information to register their request.

1. Select the company (Dropdown)
2. Folio / DP-Client ID
3. PAN
4. Financial year (Dropdown)
5. Form selection
6. Document attachment – 1 (PAN)
7. Document attachment – 2 (Forms)
8. Document attachment–3  
(Any other supporting document)

Please note that the upload of documents (duly completed and signed) on the website of Link Intime India Private Ltd should be done on or before Record date for the dividend in order to enable the Company to determine and deduct appropriate TDS/Withholding Tax. Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/deduction shall be considered after Record date for the dividend, 6:00 PM. The Company will arrange to email a soft copy of TDS certificate to you at your registered email ID post completion of activities.

Shareholders may note that in case the tax on said interim dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from you, option is available to you to file the return of income as per Income Tax Act, 1961 and claim an appropriate refund, if eligible.

All communications/queries in this respect should be addressed to our RTA, Link Intime India Private Limited to its email address, [dbldivtax@linkintime.co.in](mailto:dbldivtax@linkintime.co.in).



**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 8 of the accompanying Notice.

**Item No. 4**

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 14, 2020 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, 2021 at a remuneration of ₹ 50,000/- (Rupees Fifty Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses at actuals.

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 has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 4 of the Notice for approval of remuneration payable to the Cost Auditor for the Financial Year ended March 31, 2021.

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. 4 as an Ordinary Resolution.

The Board of Directors recommend passing of the Ordinary Resolution as set out in Item No. 4 of this notice for the approval of members.

**Item No. 5**

Pursuant to the provisions of Section 179 of the Companies Act, 2013 which deals with the authority to issue securities, including debentures, whether in or outside India, 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 ₹ 1,000 Crores (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.

Considering the above, the Board of Directors at its meeting held on August 14, 2020 has proposed to obtain the consent of the members for offering or inviting subscriptions for secured/unsecured redeemable non-convertible debentures, in one or more series/tranches on private placement, issuable/redeemable at par, 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 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 prevailing market conditions and the regulatory scenario.

The Board of Directors recommend passing of the Special Resolution as set out in Item No. 5 of this notice for the approval of members.

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. 5 as Special Resolution.

#### Item No. 6

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.

Considering the above, the Board of Directors at its meeting held on August 14, 2020 has proposed to obtain the consent of the members in order to augment the business of the Company, for borrowing, from time to time, by issuance of Commercial Papers (CPs), on Private Placement basis, upto an amount not exceeding ₹ 1,000 Crores (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 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. 6 as Special Resolution.

The Board of Directors recommend passing of the Special Resolution as set out in Item No. 6 of this notice for the approval of members.

#### Item No. 7

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 ₹ 551.00 Crores only (Rupees Five Hundred Fifty One Crores Only) 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>
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	<b>20</b>
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	<b>20</b>
DBL Hata-Dargawon 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	<b>0</b>
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	<b>10</b>
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	<b>20</b>
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	<b>20</b>
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	<b>20</b>
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	<b>20</b>
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	<b>25</b>
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	<b>25</b>
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	<b>25</b>
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	<b>25</b>

Name of the Company to whom loan be given	Purpose of giving loan	Rate of Interest	Limit (In Crores)
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	25
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	25
DBL-VPR Mining Private Limited	To meet routine business of the Company	Not applicable as it is providing infrastructural facility	20
DBL Pachhwara Coal Mine Private Limited	To meet routine business of the Company	Not applicable as it is providing infrastructural facility	50
Aarneel Technocrafts 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
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
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
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
<b>Total</b>			<b>551.00</b>

Your Board of Directors therefore, recommend the Special Resolution for approval of the members as set out in Item No. 7 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. 8

The special resolution contained in the Notice under Item No.8 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 ₹ 2,000 Crores (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.

Accordingly, the Board has at its meeting held on August 14, 2020, subject to approval of members, approved the issuance of securities at such price as may be deemed appropriate by the Board at its absolute discretion considering the prevalent market conditions and other relevant factors and wherever necessary, in consultation with lead manager(s) and/or other advisor(s) appointed in relation to the proposed Issue, in accordance with the applicable laws.

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, 41, 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. 8 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 by them or by companies/firms/institutions in which they are interested as director or member or otherwise if any.

**(ANNEXURE A TO NOTICE DATED AUGUST 14, 2020)**

[Pursuant to Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standard-2 on General Meetings]

Details of Directors seeking Appointment/Re-Appointment/variation of the terms of remuneration at the forthcoming Annual General Meeting

<b>Name of Director</b>	Mr. Devendra Jain
<b>DIN</b>	02374610
<b>Date of Birth and age</b>	03.07.1973, (47 years)
<b>Date of Appointment on the Board</b>	01.04.2009
<b>Qualifications</b>	Graduate (B.E-Civil)
<b>Experience and Expertise</b>	More than 20 years in the field of Road Construction and fairly conversant with all aspects of the management (Finance, Accounts, Cost budgeting) and overall affairs of the Company.
<b>Directorships held in other public companies and private companies (excluding foreign companies)</b>	Directorship in other Unlisted Companies: DBL Hassan Periyapatna Tollways Limited. Directorship in other Private Companies : Friendly Baby Hospital And Research Institute Private Limited. DBL Bangalore Nidagatta Highways Private Limited. DBL Nidagatta Mysore Highways Private Limited. DBL Byrapura Challakere Highways Private Limited. DBL Bellary Byrapura Highways Private Limited DBL Pachhwarra Coal Mine Private Limited DBL Bellary Byrapura Highways Private Limited
<b>Memberships/ Chairmanships of Committees across all companies</b>	Membership of following Committees in Dilip Buildcon Limited: Audit Committee Corporate Social Responsibility Committee Stakeholder Relationship Committee Risk Management Committee Lending & Investment Committee Business Development Committee Enquiry Committee
<b>Number of Board Meetings attended during the year</b>	5 of 5

<b>No. of Equity Shares held in the Company</b>	35559072 (26%)
<b>Recognition or awards</b>	Infrastructure Person of the Year Award
<b>Disclosures of relationship between Directors inter-se</b>	He is not related to any other Director, Manager or other Key Managerial Personnel of the Company.
<b>Terms and Conditions of appointment or re-appointment along with details of remuneration</b>	As per Nomination and Remuneration Policy of the Company as displayed on the Company's website, <a href="http://www.dilipbuildcon.com">www.dilipbuildcon.com</a> . and resolution regarding Re-appointment mentioned in the notice of Annual General Meeting 2020. The last drawn remuneration paid for the FY 2019-20 ₹ 1800.00 Lakhs.

**By order of the Board of Directors**

**Abhishek Shrivastava  
Company Secretary**

**Place: Bhopal  
Date: 14.08.2020**

## BOARD'S REPORT

To,  
The Members,  
Dilip Buildcon Limited

Your Directors have pleasure in presenting their 14<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, 2020.

### Financial Results

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

(₹ In Lakhs)

	Standalone		Consolidated	
	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2019
<b>Gross Revenue</b>	<b>901510.55</b>	<b>916460.83</b>	<b>976255.28</b>	<b>946315.47</b>
Total expenses	844859.75	836390.65	926346.11	888492.10
<b>Profit before exceptional items &amp; tax</b>	<b>56650.80</b>	<b>80070.18</b>	<b>49909.17</b>	<b>57823.37</b>
Exceptional items	893.40	426.60	6985.94	(157.60)
Profit / (loss) before tax	57544.20	80496.78	56895.11	57665.77
Tax expenses:				
Current tax	18133.21	12990.24	19935.28	12974.60
Deferred tax	(3301.53)	(8987.53)	(3729.48)	(9679.16)
Income tax for earlier years	215.01	-	215.01	-
<b>Profit for the year from continuing operations</b>	<b>42497.51</b>	<b>76494.07</b>	<b>40474.30</b>	<b>54370.33</b>
Share of Profit/(loss) of Associates	-	-	67.31	374.31
Profit for the Year	42497.51	76494.07	40541.61	54744.64
Other comprehensive income				
Items that will not be reclassified to profit or loss (Net of Taxes)	173.43	(109.06)	178.23	(109.06)
<b>Total Comprehensive Income for the year</b>	<b>42670.94</b>	<b>76385.01</b>	<b>40719.84</b>	<b>54635.58</b>
<b>Add: Balance in Profit and Loss Account (Adjusted)</b>	<b>249470.76</b>	<b>174734.58</b>	<b>209626.84</b>	<b>156640.09</b>
<b>Sub Total</b>	<b>292141.70</b>	<b>251119.59</b>	<b>250346.59</b>	<b>211275.67</b>
<b>Less: Appropriation</b>				
Dividend	1367.70	1367.70	1367.70	1367.70
Tax on Dividend	281.13	281.13	281.13	281.13
On account of acquisition of shares	-	-	185.26	-
Impact of Ind AS 116	865.23	-	865.23	-
Others	-	-	(277.30)	-
<b>Closing Balance</b>	<b>289627.65</b>	<b>249470.76</b>	<b>247924.66</b>	<b>209626.84</b>

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



## Company initiatives and response to Covid-19 Situation

The World Health Organisation (WHO) declared the novel corona virus as a global pandemic on March 11, 2020. The Covid-19 severely impacted many, resultant restrictions on the movement of people, goods and resources. The response of the Company was very swift and took all necessary measures/precautions at all locations against the spread of the COVID-19. For more details, kindly refer page no. 26 of the Annual report.

## Financial Performance

During the year under review, your Company reported a revenue decrease of 2% over the previous year. At Standalone level, the Revenue from Operations amounted to ₹ 8,98,381.59 Lakhs as against ₹ 9,14,027.04 Lakhs in the previous year. The Profit before Tax amounted to ₹ 57,544.20 Lakhs as against ₹ 80,496.78 Lakhs in the previous year. The Net Profit for the year amounted to ₹ 42,497.51 Lakhs as against ₹ 76,494.07 Lakhs reported in the previous year and Total Comprehensive Income for the year amounted to ₹ 42,670.94 Lakhs as against ₹ 76,385.01 Lakhs in the previous year.

The Consolidated Revenue from Operations amounted to ₹ 9,72,488.65 Lakhs as against ₹ 9,41,584.30 Lakhs in the previous year, registering a growth of 3%. The Consolidated Profit before Tax amounted to ₹ 56,895.11 Lakhs as against ₹ 57,665.77 Lakhs in the previous year. The Consolidated Net Profit after Tax amounted to ₹ 40,541.61 Lakhs as against ₹ 54,744.64 Lakhs in previous year and Total Comprehensive Income for the year amounted to ₹ 40,719.84 Lakhs as against ₹ 54,635.58 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 Re. 1/- (Rupee One) i.e. 10% per equity share of Face Value

₹ 10.00 (Rupees Ten only) each (previous year Re. 1 per equity share i.e. 10% on the equity share of ₹ 10/- each) for the Financial Year 2019-20 subject to the TDS as may be applicable. 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) Limited. (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 [www.dilipbuildcon.com](http://www.dilipbuildcon.com). 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, airports, and industrial, commercial and residential buildings, with a presence in 17 states in India. As on March 31, 2020, DBL had completed the construction of 127 projects across 14 states in India, out of which 120 are road projects with an aggregate length of approximately 16,376.07 Lane kms. DBL's achievements are attributable to a combination of factors, including our ability to successfully execute our EPC projects earlier than scheduled. 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, 2020, DBL had an order book of ₹19,08,158 Lakhs, consisting of 13 road EPC projects, 14 road BOT projects, 2 irrigation project, 4 mining excavation projects, 4 special bridge projects, 1 tunnel project, 2 metro rail viaduct projects and 2 airport projects.

As of March 31, 2020, DBL owned a modern equipment fleet of 12,833 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 38,569 employees as of March 31, 2020.

## 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 has recognized revenue of ₹ 7,78,313 Lakhs and ₹ 8,02,477 Lakhs in the financial year 2019-20 and 2018-19 respectively. As of March 31, 2020, DBL has completed 120 road and bridge projects in 14 states. As of March 31, 2020, DBL has a total of 32 ongoing road and bridge projects in 11 Indian states and order book for these road and bridge projects amounted to ₹ 13,12,246 Lakhs, accounting for 69% of total order book.

### Mining Projects:

In mining excavation business, DBL undertake overburden removal and excavation at coal mines. DBL diversified into this business in the financial year 2015-16 to exploit core experience of bulk material handling and high-volume excavation and earthwork and existing equipment, which DBL handled in roads and bridges construction business. As of March 31, 2020, DBL has completed 3 mining excavation project and has 4 ongoing mining excavation projects. Order book for these mining excavation projects amounted to ₹ 3,54,111 Lakhs, accounting for 19% of total order book, as of March 31, 2020. DBL's revenue from the mining excavation business has grown by 3% from ₹ 93,964 Lakhs in the financial year 2018-19 to ₹ 96,816 Lakhs in the financial year 2019-20.

### Metro Rail Viaduct:

DBL diversified into metro rail viaduct business in the financial year 2018-2019. DBL undertake the design and construction of elevated viaducts for metro rail projects. As of March 31, 2020, DBL has 2 ongoing metro rail projects in Madhya Pradesh. Order book for these metro rail viaduct projects amounted to ₹ 38,471 Lakhs, accounting for 2% of total order book, as of March 31, 2020.

### Urban Development :

In urban development business, DBL undertake the construction of airport, re-development and re-densification of government housing projects, build residential units under affordable housing schemes, construct parallel taxi tracks. DBL has completed 2 urban development projects and has to ongoing urban development projects as on March 31, 2020. Order book for this urban development project amounted to ₹ 57,589 Lakhs, accounting for 3% of our total order book, as of March 31, 2020. During the financial year 2019-20, DBL has won a project for construction of new greenfield airport at Hirasar, Rajkot in the state of Gujarat. DBL recognized revenue of ₹ 9,039 Lakhs and ₹ 11,124 Lakhs from the urban development business for the financial years 2019-20 and 2018-19, respectively.

### 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 2013-14 to explore the opportunities in this area created by the increased focus of the Central and the State Governments on agriculture. As of March 31, 2020, DBL has completed 2 EPC irrigation projects and has 2 ongoing EPC irrigation projects. Order book for the irrigation projects amounted to ₹1,34,921 Lakhs, accounting for 7% of total order book, as of March 31, 2020. DBL's revenue from the irrigation business has grown significantly by 43% from ₹ 3,756 Lakhs in the financial year 2018-19 to ₹ 5,383 Lakhs in the financial year 2019-20.

### 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, 2020, DBL had completed 23 projects totalling 4,128.15 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 GoI 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, 2020, DBL has a portfolio of 37 BOT projects, of which 23 have been completed and the remaining 14 projects are under-construction. The 23 completed BOT projects include projects undertaken on hybrid annuity basis, toll basis, annuity basis and annuity plus toll basis. The 14 under construction BOT projects are all being undertaken on a hybrid annuity basis.

DBL has divested 24 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 (individually the "Shrem Entity" and collectively, the "Shrem Entities"). Out of 24 BOT projects, 23 projects are completed projects and 1 project is under construction as on March 31, 2020.

During the financial year 2019-20, DBL has further divested 5 under construction BOT projects undertaken on hybrid annuity basis by entering share purchase and shareholders agreement with Cube Highways and Infrastructure III Pte Limited (Cube).

### DIVESTMENT OF BOT PROJECTS

#### Divestment to Shrem Entities

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, Shrem Tollway Private Limited and Shrem Infraventure Private Limited, 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 special purpose vehicles (SPVs) and 6 of the under-construction BOT project SPVs to the relevant Shrem Entity (the "Divestment").

As of March 31, 2020, out of the 24 BOT projects, DBL transferred 100.00% of its equity shareholding in 10 completed BOT project SPVs, 74.00% of its equity shareholding in 1 completed BOT project SPV, 49.00% in 3 completed BOT project SPVs and 48.90% of its equity shareholding in 1 completed BOT project SPV to the relevant Shrem Entity pursuant to these agreements.

Additionally, with respect to 1 of the BOT project SPVs, the relevant Shrem Entity holds 49.00% of the equity shareholding as of March 31, 2020. The reminder of DBL's equity shareholding in these BOT project SPVs and DBL's entire equity shareholding in the remaining eight BOT project SPVs will be transferred upon the completion of certain conditions contained in the agreements.

### Our Order Book

Our total order book was ₹ 19,08,158 Lakhs as of March 31, 2020.

The following table sets forth the breakdown of our order book as of March 31, 2020 by geographical areas:

Indian state	No. of Projects	Outstanding order value (₹ in Lakhs)	% of outstanding order value
Andhra Pradesh	1	59,005	3.1%
Chhattisgarh	2	55,600	2.9%
Goa	4	45,381	2.4%
Gujarat	1	57,006	3.0%
Jharkhand	3	1,76,136	9.2%
Karnataka	8	3,26,379	17.1%
Madhya Pradesh	6	3,04,142	15.9%
Maharashtra	7	2,83,645	14.9%
Odisha	2	1,36,948	7.2%
Rajasthan	1	48,979	2.6%
Telangana	1	27,884	4.5%
Uttar Pradesh	5	3,85,866	20.2%
West Bengal	1	1,187	0.1%
<b>Total</b>	<b>42</b>	<b>19,08,158</b>	<b>100.0%</b>

### Divestment to Cube

DBL has entered into share purchase and shareholder agreements with Cube Highways and Infrastructure

Pte Limited, dated August 31, 2019 pursuant to which DBL agreed to transfer its entire equity shareholding in 5 of the under-construction BOT project SPVs (the "Divestment"). The DBL's equity shareholding will be transferred upon completion of conditions contained in the agreements.

### Awards

Your Directors are pleased to inform that during the financial year 2019-20, your Company has received various awards and recognitions. For more details, kindly refer page no. 13 of the Annual report.

### 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 provisions of section 186 are 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 Nos. 3, 4 and 48 to the Standalone Financial Statements).

### Consolidated Financial Statements

The Audited Consolidated Financial Statements for the Financial Year ended March 31, 2020, 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 has been no change in the paid up share capital of the Company which stands at ₹ 1,36,76,97,680/- (Rupees One Hundred Thirty Six Crores Seventy Six Lakhs Ninety Seven Thousand Six Hundred Eighty only) divided into 136769768 (Thirteen Crores Sixty Seven Lakhs Sixty Nine Thousand Seven Hundred Sixty Eight only) equity shares of ₹ 10/- each.

Further, during the period under review, the Authorized Share Capital of the Company has been increased from ₹ 1,60,00,00,000/- (Rupees One Hundred Sixty Crores only) divided into 160000000 (Sixteen Crores) equity shares of ₹ 10/- (Rupees Ten only) each (the "Equity Shares") to ₹ 1,80,00,00,000/- (Rupees One Hundred Eighty Crores only) divided into 180000000/- (Eighteen Crores) equity shares of ₹ 10/- (Rupees Ten only) each.

### (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 136769768 equity shares, the following equity shares of the Company are in dematerialised and physical form as on March 31, 2020:

S. No	Capital Details	No. of shares	% of Total issued Capital
1	Held in dematerialised form in CDSL	9841287	92.8
2	Held in dematerialised form in NSDL	126928381	7.2
3.	Physical	100	0.00
	<b>Total no. of shares</b>	<b>136769768</b>	<b>100.00</b>

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

- (i) Your Company had issued and allotted 6000 non-convertible Debentures on December 28, 2017 in dematerialized form on a private placement basis, in the form of senior, secured, unlisted, rated, redeemable, rupee denominated, having face value of ₹ 10,00,000/- (Rupees Ten Lakhs only) each, issued at par aggregating to ₹ 600.00 Crores (Rupees Six Hundred Crores only) 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. Out of 13 series, the following 3 (Three) series have been redeemed as on date of this report.

(In Cr.)

S. NO	Date of redemption	No. of Redeemed debentures (in Qty)	Amount of debentures
1	28-12-2019	450	45.00
2	28-03-2020	450	45.00
3	28-06-2020	450	45.00
	<b>Total</b>	<b>1350</b>	<b>135.00</b>

- (ii) Your Company has issued and allotted 1000 senior, secured, listed, rated, redeemable Non-Convertible Debentures (NCDs) on May 29, 2020 in dematerialized form on a private placement basis, having face value of ₹ 10,00,000/- (Rupees Ten Lakhs only) each at par aggregating to ₹ 1,00,00,00,000 (Rupees One Hundred Crores only) bearing a coupon rate of 8.75% p.a. annualized. The said debentures have been issued for maximum tenure of 3 years (36 Months).
- (iii) Your Company has issued and allotted 2000 senior, secured, listed, rated, redeemable Non-Convertible Debentures (NCDs) on June 29, 2020 in dematerialized form on a private placement basis, having face value of ₹ 10,00,000/- (Rupees Ten Lakhs only) each at par aggregating to ₹ 2,00,00,00,000 (Rupees Two Hundred Crores only) bearing a coupon rate of 8.67% p.a. in dematerialized form on a private placement basis. The said debentures have been issued for maximum tenure of 3 years (36 Months).

Due to outbreak of COVID -19, Ministry of Corporate affairs vide its general circular No. 11/2020 dated March 24, 2020, extended the time period till June 30, 2020 for complying with the requirement under Rule 18 of the Companies (Share Capital and Debentures) Rules 2014, to invest or deposit at least 15% of amount of debentures maturing in specified method of investment or deposits on or before April 30, 2020. Thereafter, vide MCA's general circular No. 24/2020 dated June 19, 2020, the time period for complying with the rule 18 of the Companies (Share Capital and

Debentures) Rules 2014 was further extended from June 30, 2020 till September 30, 2020. The Company has deposited 15% (i.e. ₹ 27.00 Crores on June 29, 2020) of the amount with the scheduled bank and free from any charge or lien for debentures maturing during the 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:

1. Details relating to deposits covered under Chapter V of the Act and rules made there under.
2. As per rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued equity shares with differential rights as to dividend, voting or otherwise.
3. As per rule 8(13) of 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.
4. As per rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued equity shares under the scheme of employee stock option.
5. As per rule 16(4) of 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.
6. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
7. 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.

8. No fraud has been reported by the Auditors to the Audit Committee or the Board.
9. 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.
10. The details with respect to unpaid dividend for the financial year 2016-17, 2017-18 and 2018-19 can be accessed at [www.dilipbuildcon.com](http://www.dilipbuildcon.com)

#### 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 debenture being ₹ 510 Crores at year ending March 31, 2020, the debenture redemption

reserve of ₹ 150.00 crores had been created and the equivalent amount had been transferred from 'Retained Earnings' to 'Debenture Redemption Reserve.

#### POSITION OF SHARES TRANSFERRED BY THE COMPANY TO SHREM ENTITIES

The Company has signed an indicative term sheet with Chhatwal Group Trust or its Affiliates (SHREM) on August 24, 2017 with respect to divestment of its entire stake in your 24 SPV's. The Share acquisition cum shareholder agreements in respect of these 24 SPV's was entered into on March 26, 2018.

Further, the Company has obtained approval of the members by way of special resolution on September 11, 2017 for aforesaid disinvestment in the subsidiary companies Details of the shareholding of the following Companies as on March 31, 2020 are as under:

S. No	Name of Company	No. of paid up shares	Total No. of shares transferred to SHREM and to its nominee	No. of shares held by DBL	% of shares held by SHREM	% of shares held by DBL	Status of Company as on March 31, 2020
1	DBL Sitamau Suwasara Tollways Limited	7750000	7750000	0	100	0	-
2	DBL Silwani Sultanganj Tollways Limited	1000000	1000000	0	100	0	-
3	DBL Mundi-Sanawad Tollways Limited	1000000	1000000	0	100	0	-
4	DBL Joara- Sailana Tollways Limited	20000000	20000000	0	100	0	-
5	DBL Uchera Nagod Tollways Limited	32000000	32000000	0	100	0	-
6	DBL Bankhlaftata Dogawa Tollways Limited	16000000	16000000	0	100	0	-
7	DBL Saradarpur Badnawar Tollways Limited	250000	250000	0	100	0	-
8	DBL Ashoknagar Vidisha Tollways Limited	19960000	19960000	0	100	0	-

S. No	Name of Company	No. of paid up shares	Total No. of shares transferred to SHREM and to its nominee	No. of shares held by DBL	% of shares held by SHREM	% of shares held by DBL	Status of Company as on March 31, 2020
9	DBL Tikamgarh-Nowgaon Tollways Limited	848462	848462	0	100	0	-
10	Suryavanshi Infrastructure Private Limited	86800	86800	0	100	0	-
11	DBL Patan Rehli Tollways Limited	101035	49403	51632*	48.89	51.11	Subsidiary
12	DBL Lucknow Sultanpur Highways Limited	2099611	1028809	1070802	48.99	51.01	Subsidiary
13	DBL Yavatmal Wardha Highways Private Limited	100000	49000	51000*	49	51	Subsidiary
14	Jalpa Devi Tollways Limited	4180844	2048613	2132231	48.99	51.01	Subsidiary
15	DBL Nadiad Modasa Tollways Limited	28655000	21204700	7450300	74	26	Associate

\*Including 100 shares held by nominee shareholder.

**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.**

**a) TRANSFER OF EQUITY SHARES**

The following shares have been transferred after the end of financial year :

S. No	Name of Company	No. of paid up shares	No. of shares transferred to SHREM and to its nominee*	No. of shares held by DBL	% of Shares held by SHREM	% of shares held by DBL	Status of Company as on date of this report
1	DBL Hata-Dargawaon Tollways Limited	79756	55813	23943	69.97	30.03	Associate
2	DBL Kalmath Zarap Highways Limited	50000	24500	25500	49	51	Subsidiary

\*Including 100 shares held by nominee shareholder.



## b) ISSUANCE AND ALLOTMENT OF LISTED NON CONVERTIBLE DEBENTURES

(Your Company has issued and allotted 1000 senior, secured, listed, rated, redeemable Non-Convertible Debentures (NCDs) on May 29, 2020 in dematerialized form on a private placement basis, having face value of ₹ 10,00,000/- (Rupees Ten Lakhs only) each at par aggregating to ₹ 1,00,00,00,000 (Rupees One Hundred Crores only) bearing a coupon rate of 8.75% p.a. annualized. The said debentures have been issued for maximum tenure of 3 years (36 Months).

Your Company has issued and allotted 2000 senior, secured, listed, rated, redeemable Non-Convertible Debentures (NCDs) on June 29, 2020 in dematerialized form on a private placement basis, having face value of ₹ 10,00,000/- (Rupees Ten Lakhs only) each at par aggregating to ₹ 2,00,00,00,000 (Rupees Two Hundred Crores only) bearing a coupon rate of 8.67% p.a. in dematerialized form on a private placement basis. The said debentures have been issued for maximum tenure of 3 years (36 Months).

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. 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.

During the period under review, 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.

The Company has the SAP HANA - ERP which gives us the integrated business operations platform covering all business functions & departments to execute our projects and provides strong checks & controls in all business functions. This automated & zero error ERP has resulted into accuracy & efficiency which provides strong internal financial control system.

**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, no new Company has been incorporated as subsidiary of the Company. Further as on the date of the report, a new SPV has been incorporated as wholly owned subsidiary of the Company. Details of the same are as under:

**(in Lakhs)**

S. No.	Name of Subsidiary	Date of Incorporation	Type of Shares	No. of shares	Total amount of Investment	Status
1	Pathrapali-Kathghora Highways Private Limited	07.05.2020	Equity	50000	5.00	Wholly Owned Subsidiary

The Policy for determining material subsidiary company as approved, can be accessed on the Company's website at the link [www.dilipbuildcon.com](http://www.dilipbuildcon.com)

As per Regulation 16(1)(c) of SEBI (LODR) Regulations, 2015, 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 2019-20.

As per Regulation 24 of SEBI (LODR) Regulations, 2015, your Company does not have any material subsidiary.

**(b) Shares subscribed/acquired during the financial year 2019-20**

**(in Lakhs)**

Name of the Company	Type of Shares	Opening Balance as on 01.04.2019	No. of shares allotted during the year	Closing balance shares *	Total amount of Investment including premium	% of holding acquired
DBL Mahagaon Yavatmal Highways Private Limited	Equity	109712	36090	145802	4490.35	100%
DBL Borgaon Watambare Highways Private Limited	Equity	50000	175956	225956	4931.01	100%
DBL Mangloor Highways Private Limited	Equity	50000	307482	357482	3288.02	100%
DBL Bangalore Nidagatta Highways Private Limited	Equity	50000	274305	324305	21900.05	100%
DBL Wardha Butibori Highways Private Limited	Equity	100000	105237	205237	4303.11	100%
DBL TuljapurAusa Highways Limited	Equity	70380	2902	73282#	2495.51	51 %
DBL Sangli Borgaon Highways Private Limited	Equity	50000	110923	160923	5261.04	100%

Name of the Company	Type of Shares	Opening Balance as on 01.04.2019	No. of shares allotted during the year	Closing balance shares *	Total amount of Investment including premium	% of holding acquired
DBL Mangalwedha Solapur Highways Private Limited	Equity	50000	141874	191874	5431.01	100%
DBL Gorhar Khairatunda Highways Private Limited	Equity	50000	658149	708149	3683.00	100%
DBL Bellary Byrapura Highways Private Limited	Equity	50000	700564	750564	5464.00	100%
DBL Nidagatta Mysore Highways Private Limited	Equity	50000	132655	182655	11418.40	100%
DeevinSeismic Systems Private Limited	Equity	0	15950	15950	775.00	100%

\*Including 100 shares held by nominee shareholder.

# Including 90 shares held by nominee shareholder.

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

As on March 31, 2020, the Company has 30 Indian Subsidiary & 1 Associate company(ies). 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 Company (ies), 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 Company(ies) is prepared in Form AOC-1 and the same is annexed to this 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 company(ies) 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 company(ies) 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 SHERM entities 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, 2020	% of pending shares to be transferred	% held with DBL	Status of Company as on March 31, 2020
1	DBL Nadiad Modasa Tollways Limited	74	74	Nil	26.00	Associate
2	DBL Betul-Sarni Tollways Limited	100	Nil	100	100	Wholly Owned Subsidiary
3	DBL Hata-Dargawon Tollways Limited*	100	Nil	100	100	Wholly Owned Subsidiary
4	DBL Mundargi Harapanahalli Tollways Limited	74	Nil	74	100	Wholly Owned Subsidiary
5	DBL Hassan Periyapatna Tollways Limited	74	Nil	74	100	Wholly Owned Subsidiary
6	DBL Hirekerur Ranibennur Tollways Limited	74	Nil	74	100	Wholly Owned Subsidiary
7	DBL Kalmath Zarap Highways Limited**	100	Nil	100	100	Wholly Owned Subsidiary
8	DBL Mahagaon Yavatmal Highways Private Limited	100	Nil	100	100	Wholly Owned Subsidiary
9	DBL Wardha Butibori Highways Private Limited	100	Nil	100	100	Wholly Owned Subsidiary
10	DBL Patan Rehli Tollways Limited	100	48.89	51.11	51.11	Subsidiary
11	Jalpa Devi Tollways Limited	100	48.99	51.01	51.01	Subsidiary
12	DBL Lucknow Sultanpur Highways Limited	100	48.99	51.00	51.01	Subsidiary
13	DBL Tuljapur AUSA Highways Limited***	51	NIL	Nil	51.00	Subsidiary
14	DBL Yavatmal Wardha Highways Private Limited	100	49%	51	51.00	Subsidiary

\*Dilip Buildcon Limited and its nominees had transferred 69.97% shares held in DBL Hata-Dargawaon Tollways Limited to Shrem Roadways Private Limited and to its nominees.

\*\*Dilip Buildcon Limited and its nominees had transferred 49 % shares held in DBL Kalmath Zarap Highways Limited to Shrem Infraventure Private Limited and to its nominees.

\*\*\*since incorporation Dilip Buildcon Limited along with its nominees hold 51% shares and Shrem Infraventure Private Limited holds 49 % in the Company.

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

**Details of Wholly Owned Subsidiaries**

**(i) 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 Private Limited and the status of DBSTL is wholly owned subsidiary of the Company.

During the period under review, DBSTL has achieved Total Income of ₹ 3425.63 Lakhs and earned Net Profit after Tax of ₹ 264.96 Lakhs.

**(ii) 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 the status of DHDTL is wholly owned subsidiary of the Company.

During the period under review, DHDTL has achieved Total Income of ₹ 1528.12 Lakhs and earned Net Profit after Tax of ₹ 194.51 Lakhs.

Further, the Company (DBL) along with its nominees have transferred their 55813 shares i.e. 69.97 % held in DHDTL to Shrem Roadways Private Limited (SRPL) and to the nominees of SRPL upto the month of July. Currently, the status of DHDTL has been changed from wholly owned subsidiary company to Associate Company as on the date of this report.

**(iii) 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 the status of DMHTL is wholly owned subsidiary of the Company.

During the period under review, DMHTL has achieved Total Income of ₹ 3297.86 Lakhs and earned Net Profit after Tax of ₹ 1435.59 Lakhs.

**(iv) 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 the status of DHPTL is wholly owned subsidiary of the Company.

During the period under review, DHPTL has achieved Total Income of ₹ 4977.24 Lakhs and earned Net Profit after Tax of ₹ 2892.33 Lakhs.

**(v) 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 the status of DHRTL is wholly owned subsidiary of the Company.

During the period under review, DHRTL has achieved Total Income of ₹ 3609.90 Lakhs and earned Net Profit after Tax of ₹ 1553.57Lakhs

**(vi) 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.

During the period under review, DKZHL has achieved Total Income of ₹ 16232.96 Lakhs and incurred Net Loss after Tax of ₹ 3218.47Lakhs.

Further, the Company (DBL) along with its nominees has transferred 24,500 shares i.e. 49% shares held in the DKZHL to Shrem Infraventure Private Limited (SIPL) and to the nominees of SIPL upto the month of July. Currently, the status of DKZHL has been changed from wholly owned subsidiary company to subsidiary company as on the date of this report.

**(vii) DBL Mahagaon Yavatmal Highways Private Limited ("DMYHPL")**

DMYHPL was incorporated as special purpose vehicle on April 24, 2017 for the purpose of project of "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." 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 ₹ 11039.53 Lakhs and has incurred Net Loss after Tax of ₹ 3292.25 Lakhs.

**(viii) DBL Wardha Butibori Highways Private Limited ("DWBHPL")**

DWBHPL was 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. 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 ₹ 10177.49 Lakhs and earned Net Profit after Tax of ₹ 463.71 Lakhs.

**(ix) DBL Chandikhole Bhadrak Highways Private Limited ("DCBHPL")**

DCBHPL was 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."The Company (DBL) has not yet transferred any shares to Cube Highways and Infrastructure III Pte Limited held in DCBHPL and the status of DCBHPL is wholly owned subsidiary of the Company.

During the period under review, DCBHPL has achieved Total Income of ₹ 33004.70 Lakhs and has incurred Net Loss after Tax of ₹ 2184.96 Lakhs.

**(x) DBL Bangalore Nidagatta Highways Private Limited ("DBNHPL")**

DBNHPL was 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 ₹ 71328.05 Lakhs and has incurred Net Loss after Tax of ₹ 1421.00 Lakhs.

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

DAAHPL was 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 ₹ 57720.33 Lakhs and has incurred Net Loss after Tax of ₹ 3180.13 Lakhs.

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

DGKHPL was 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 to be executed on Hybrid Annuity mode.”

During the period under review, DGKHPL has achieved Total Income of ₹ 28911.16 Lakhs and has incurred Net Loss after Tax of ₹ 862.79 Lakhs.

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

DNMHPL was 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 ₹ 31660.87 Lakhs and has incurred Net Loss after Tax of ₹ 462.50 Lakhs.

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

DRSHPL was 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 ₹ 22343.71 Lakhs and has incurred Net Loss after Tax of ₹ 1871.29 Lakhs.

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

DBCHPL was 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 ₹ 33974.55Lakhs and has incurred Net Loss after Tax of ₹ 1527.18 Lakhs.

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

DMHPL was 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.” The Company (DBL) has not yet transferred any shares to Cube Highways and Infrastructure III Pte Limited held in DMHPL and the status of DMHPL is wholly owned subsidiary of the Company.

During the period under review, DBCHPL has achieved Total Income of ₹ 31969.02 Lakhs and has incurred Net Loss after Tax of ₹ 1442.96 Lakhs

**(xvii) DBL Sangli Borgaon Highways Private Limited ("DSBHPL")**

DSBHPL was incorporated as special purpose vehicle on April 11, 2018 to undertake the project of "Four laning of Sangli-Solapur (Package-I: Sangli to Borgaon) 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." The Company (DBL) has not yet transferred any shares to Cube Highways and Infrastructure III Pte Limited held in DSBHPL and the status of DSBHPL is wholly owned subsidiary of the Company.

During the period under review, DSBHPL has achieved Total Income of ₹ 25102.71 Lakhs and has incurred Net Loss after Tax of ₹ 930.55 Lakhs.

**(xviii) DBL Borgaon Watambare Highways Private Limited ("DBWHPL")**

DBWHPL was incorporated as special purpose vehicle on April 11, 2018 to undertake the project of "Four laning of Sangli-Solapur (Package-II: Borgaon 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." The Company (DBL) has not yet transferred any shares to Cube Highways and Infrastructure III Pte Limited held in DBWHPL and the status of DBWHPL is wholly owned subsidiary of the Company.

During the period under review, DBWHPL has achieved Total Income of ₹ 44151.54 Lakhs and has incurred Net Loss after Tax of ₹ 1482.78 Lakhs.

**(xix) DBL Mangalwedha Solapur Highways Private Limited ("DMSHPL")**

DMSHPL was 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.Km. 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." The Company (DBL) has not yet transferred any shares to Cube Highways and Infrastructure III Pte Limited held in DMSHPL and the status of DMSHPL is wholly owned subsidiary of the Company.

During the period under review, DMSHPL has achieved Total Income of ₹ 35636.33 Lakhs and has incurred Net Loss after Tax of ₹ 1376.38 Lakhs.

**(xx) DBL Bellary Byrapura Highways Private Limited ("DBBHPL")**

DBBHPL was 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 in the State of Karnataka."

During the period under review, DBBHPL has achieved Total Income of ₹ 30365.33 Lakhs and has incurred Net Loss after Tax of ₹ 928.72 Lakhs.

**(xxi) 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 ₹ 215.30 Lakhs and earned Net Profit after Tax of ₹ 4.55 Lakhs.

**(xxii) 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, equipment, tools etc.



During the period under review, the Company has achieved Total Income of ₹ 852.01 Lakhs and has incurred Net Loss after Tax of ₹ 601.76 Lakhs.

**(xxiii) Deevin Seismic Systems Private Limited (“DSSPL”)**

DSSPL is a Private Limited Company incorporated on May 8, 2008 to carry on the business as technical consultants, engineers, architect, planners, surveyors, and alignment surveys for railway lines, transmission lines, canals, water topographical survey and marking of routes, Highways, Bridges, Airports, Water resources, Cadastral Survey, Seismic Survey, Structural design, Construction, supervision and feasibility studies, detailed engineering and design traffic studies including volume count, OD survey and axial load surveys calculation of growth rates for various modes of traffic and traffic projections, Geo-technical investigations, material testing, Economic and financial analysis for project evaluation, preliminary design, detailed specification of work and rehabilitation, detailed Project Reports and environmental studies and also act as design Engineers for various types of projects including Bridges and Buildings and carry on construction, repairs and rehabilitation of Bridges and buildings, designing Expansion joints and bearings for bridges and buildings, deal in Rebar coupler, construction machineries, building materials and construction Chemicals. DBL has acquired “DSSPL” on January 03, 2020 and the said company is the wholly owned subsidiary of the Company.

The Company has achieved Total Income of ₹ 76.96 Lakhs and has incurred Net Loss after Tax of ₹ 27.03 Lakhs post acquisition.

**(xxiv) Pathrapali-Kathghora Highways Private Limited (PKHPL)**

PKHPL was incorporated as special purpose vehicle on May 07, 2020 to undertake the project of “Four lane with paved shoulder configuration of Pathrapali-Kathghora (Km. 53.300 to Km. 92.600) Pkg-II of Bilaspur-Kathghora section of

NH-111 (New NH-130) in the State of Chhattisgarh under Bharatmala Pariyojna on Hybrid Annuity Mode.” PKHPL is yet to commence its business.

**Details of Subsidiaries:**

**(i) 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”. The status of DPRTL is subsidiary of the Company.

During the period under review, DPRTL has achieved Total Income of ₹ 3621.55 Lakhs and earned Net Profit after Tax of ₹ 797.42 Lakhs.

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

JDTL is involved in the business of undertaking a project of “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.” During the year, as per the terms of the agreement entered with Shrem Tollway Private Limited (STPL), the Company has transferred 20,48,613 Equity Shares including the shares held by nominee shareholders (49%) held in JDTL to STPL and to the nominees of STPL and the status of JDTL is subsidiary of the Company.

During the period under review, JDTL has achieved Total Income of ₹ 10704.57 Lakhs and has incurred Net Loss after Tax of ₹ 397.52 Lakhs.

**(iii) 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 of “Four-Laning of the Lucknow - Sultanpur Section of NH-56 in the State of Uttar Pradesh on a Hybrid Annuity Basis. During the year, as per the terms of the agreement entered with Shrem Infraventure Private Limited (SIPL), the Company (DBL) has transferred 1028809 Equity Shares including the

shares held by nominee shareholders (49%) held in DLSHL to SIPL and to the nominees of SIPL and the status of DLSHL is subsidiary of the Company.

During the period under review, DLSHL has achieved Total Income of ₹ 14834.75 Lakhs and earned Net Profit after Tax of ₹ 6293.49 Lakhs.

**(iv) 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 of “Four Laning of Tuljapur-Ausa (including Tuljapur Bypass) Section of NH-361 on Hybrid Annuity Mode in the State of Maharashtra.” The status of DTAHL is subsidiary of the Company.

During the period under review, DTAHL has achieved Total Income of ₹ 11513.42 Lakhs and earned Net Profit after Tax of ₹ 339.38 Lakhs.

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

DYWHPL was incorporated as special purpose vehicle on April 21, 2017 for the purpose of project of “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. During the year, as per the terms of the agreement entered with Shrem Infraventure Private Limited (SIPL), the Company (DBL) has transferred 49000 Equity Shares (49%) held in DYWHPL to SIPL and the status of DLSHL is subsidiary of the Company.

During the period under review, DYWHPL has achieved Total Income of ₹ 7948.12 Lakhs and earned Net Profit after Tax of ₹ 2699.99 Lakhs.

**(vi) DBL -VPR Mining Private Limited (“DVMPPL”)**

DVMPPL was 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 ₹ 0.87 Lakhs during the period under review.

**(vii) DBL Pachhvara Coal Mine Private Limited (“DPCMPL”)**

DPCMPL was incorporated as special purpose vehicle on September 04, 2018 to undertake the project of “Mine Developer Cum Operator for Development and operation of the Pachhvara Central Coal Mine located in Pakur District of Jharkhand, India with a peak rated capacity of 7 MTPA.” DPCMPL is yet to commence its business. Hence, there is no revenue and profit generated during the period under review. However, DPCMPL has incurred Net Loss of ₹ 9.98 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. The status of DNMTL is associate of the Company.

**Auditors and Auditors’ Report**

**(a) Statutory Auditors & their Reports**

M/s Mukund M. Chitale & Co., Chartered Accountants, Mumbai (ICAI Firm Registration No. 106655W) were re-appointed as Joint Statutory Auditor of the Company for a second consecutive term of three years (3) in the Annual General Meeting of the Company held on September 17, 2019 and M/s MSG & Associates, Chartered Accountants, Bhopal (ICAI Firm Registration No. 010254C) 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, 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 statutory requirement. Accordingly, the notice convening the ensuing AGM does not carry any resolution on ratification of the appointment of the Statutory Auditors.

M/s Mukund M. Chitale & Co., Chartered Accountants, Mumbai and M/s MSG & Associates, Chartered Accountants, Bhopal, have audited the books of accounts of the Company for the financial year ended March 31, 2020 and have issued the Auditor's Report there on. There are no qualifications or reservations or 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 Auditor's Report, read together with the notes on financial statements are self-explanatory and hence do not call for any further comments under section 134 of the Act.

The Company has obtained a certificate of 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.

#### **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 2020-21. As required under the Companies Act, 2013, a resolution seeking members' ratification 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 2018-19 with the Central Government. The Cost Audit Report for the Financial Year 2018-19 does not contain any qualification, reservation or adverse remark. The Company has obtained Cost Audit Report for the year 2019-20 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 2019-20 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 2019-20.

The Internal Audit Report for the Financial Year 2019-20 issued by M/s Adalatwale and Bhagwat, Chartered Accountants, Bhopal is submitted to the Audit Committee and the Board.

#### **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 2019-20 are as under:

Sr. No.	Particulars	Comments	
<b>(A)</b>	<b>Conservation of energy</b>		
(i)	the steps taken or impact on conservation of energy;	Since the Company does not own any manufacturing facility, the Operations of the Company are not energy intensive. However, the Company always focuses on conservation of energy, wherever possible.	
(ii)	the steps taken by the Company for utilizing alternate sources of energy;		
(iii)	the capital investment on energy conservation equipment's		
<b>(B)</b>	<b>Technology absorption</b>		
(i)	the efforts made towards technology absorption	The Company uses latest technology and equipment in its business. Further the Company is not engaged in any manufacturing activity	
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution;		
(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		
	(b) the year of import		
	(c) whether the technology been fully absorbed		
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and		
(iv)	the expenditure incurred on Research and Development	During the year the Company has not spent any amount towards research and developmental activity.	
<b>(C)</b>	<b>Foreign exchange earnings and Outgo</b>	<b>Inflow</b>	<b>Out Flow (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	3242.57

### Human Resources Development

The Company has continuously adopted structures that help 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) Board of Directors and Key Managerial Personnel

Pursuant to the provisions of section 203 of the Companies Act, 2013 and the rules made their under, during the year following are the Board of Directors and Key Managerial Personnel of the Company:

S. No	Name of Directors/KMPs	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. Ashwini Verma	Independent Director	05.08.2014	-	06939756
5	Dr. Amogh Kumar Gupta	Independent Director	05.08.2014	-	06941839
6	Mr. Aditya Vijay Singh *	Independent Director	15.07.2011	29.05.2020	03585519
7	Mr. Satish Chandra Pandey	Independent Director	23.01.2015	-	07072768
8	Mr. Vijay Chhibber	Independent Director	28.02.2017	-	00396838
9	Mr. Malay Mukherjee	Independent Director	13.02.2018	-	02272425
10	Ms. Ratna Dharashree Vishwanathan	Woman Independent Director	30.03.2019	-	07278291
11	Mr. Radhey Shyam Garg	President & Chief Financial Officer	10.12.2018	-	ACAPG0983A
12	Mr. Abhishek Shrivastava	Company Secretary & Compliance Officer	23.01.2015	-	AUXPS3081Q

\*Resigned w.e.f. from May 29, 2020.

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

In terms of the provisions of the Companies Act, 2013, Mr. Devendra Jain (DIN: 0274610) Whole-time Director & CEO of the Company retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting. The Board recommends his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

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

### (c) Women Director

Mrs. Seema Suryavanshi, (DIN:00039946) and Ms. Ratna Dharashree Vishwanathan (DIN: 07278291) were appointed as Woman (Whole-time) 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 their Declaration

The Company is having **6 (Six)** 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 six 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, [www.dilipbuildcon.com](http://www.dilipbuildcon.com)

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. .

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience (including the proficiency of the independent director as ascertained from the online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs notified under sub-section (1) of section 150 of the Companies Act, 2013 and are the persons of high integrity and repute. They fulfill the conditions specified in the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and the Rules made thereunder and are independent of the management.

Further, as per the Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019 and Companies (Appointment and Qualification of Directors) Rules, 2014 as amended from time to time, the declaration received from the Independent Directors of the Company related to online Proficiency Self-Assessment Test are as under :

S. No	Name of Independent Directors	Applied online for inclusion of name in data bank	Undertake to appear for the Online Proficiency Test	Cleared the online Proficiency test	Exemption category
1	Mr. Satish Chandra Pandey	07.02.2020	Yes	-	-
2	Dr. Amogh Kumar Gupta	06.02.2020	Yes	-	-
3	Mr. Ashwini Verma	05.02.2020	Yes	-	-
4	Mr. Vijay Chhibber	10.02.2020	-	-	Yes
5	Mr. Malay Mukherjee	07.02.2020	-	31.03.2020	-
6	Ms. Ratna Dharashree Vishwanathan	10.02.2020	Yes	-	-

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

The Company conducts familiarization 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 [www.dilipbuildcon.com](http://www.dilipbuildcon.com).

#### 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, 2020, 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.

Further, as on the date of the Board report, Mr. Aditya Vijay Singh, Non-Executive Independent Director of the Company has resigned from the company w.e.f. May 29, 2020.

Mr. Dilip Suryavanshi, Chairman & Managing Director, Mrs. Seema Suryavanshi Whole-time Director and Mr. Devendra Jain, Whole-time Director and CEO of the Company are also the Promoter 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 5(Five) times during the Financial Year 2019-20. 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: [www.dilipbuildcon.com](http://www.dilipbuildcon.com).

#### (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, amended time to time (The PIT Regulations). This Code is displayed on the Company's website: [www.dilipbuildcon.com](http://www.dilipbuildcon.com).

The code shall be applicable to the insiders of the Company which includes all insiders, designated persons and their immediate relatives, connected persons, Fiduciaries and Intermediaries 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' in compliance with the PIT Regulations. This Code is displayed on the Company's website: [www.dilipbuildcon.com](http://www.dilipbuildcon.com).

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 Policy is displayed on the Company's website: [www.dilipbuildcon.com](http://www.dilipbuildcon.com).

The composition of Enquiry Committee for leak of Unpublished Price Sensitive information comprises of 3 (three) Members which include Managing Director, Chief Executive officer and Chief Financial Officer of the Company.

During the period under review, the Company has not received any complaints related to leak of Unpublished Price Sensitive information. No meeting was held during the financial year 2019-20.

#### COMMITTEES OF THE BOARD

The Board of Directors has constituted various mandatory and other 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 responsibilities 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, Chairman of the Committee is an Independent director and possesses financial expertise.

#### The members of the Committee, Meetings and Attendance during the financial year 2019-20 are as under:

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

\* Resigned w.e.f. May 29, 2020

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

The Audit Committee met 5 (Five) times during the Financial Year 2019-20. The maximum gap between two Meetings was not more than 120 days. The Committee met on May 10, 2019, August 05, 2019, August 26, 2019, November 14, 2019 and February 10, 2020. The requisite quorum was present at all the Meetings. The Chairman of the Audit Committee was present at the 13<sup>th</sup> Annual General Meeting of the Company held in Financial Year 2019-20.

Due to resignation of Mr. Aditya Vijay Singh, Non-executive Independent Director of the Company and further to maintain the composition of the audit committee as per the Companies Act, 2013 and SEBI (LODR), Regulations 2015, the Audit Committee was temporarily re-constituted with the combination of following directors:

S. No.	Name of Directors	Designation
1.	Mr. Satish Chandra Pandey	Chairman -Independent Director
2.	Mr. Ashwini Verma	Member -Independent Director
3.	Dr. Amogh Kumar Gupta	Member -Independent Director
4	Mr. Dilip Suryavanshi	Member - Managing Director

Further, in order to assist the Board to oversee and objectively assess the financial performance of the company and its financial statements, internal controls, financial reporting, accounting standards, legal and regulatory compliance and the independence of its External Auditors and to strictly monitor and comply with all the applicable laws and regulations, the Board of Directors of the Company at its Board meeting held on August 14, 2020, has approved induction of new members in the audit committee and to make amendment in terms and reference of the audit committee covering all the provisions as per the Securities and Exchange Board of India (LODR) Regulations, 2015 and other applicable laws as amended thereof from time to time.

Considering the same, post reconstitution the Composition of the audit committee are as under:

S. No.	Name of Directors	Designation
1.	Mr. Satish Chandra Pandey	Chairman-Independent Director
2.	Ms. Ratna Dharashree Vishwanathan	Member-Independent Director
3.	Mr. Ashwini Verma	Member - Independent Director
4.	Dr. Amogh Kumar Gupta	Member - Independent Director
5.	Mr. Dilip Suryavanshi	Member - Managing Director
6.	Mr. Devendra Jain	Member -Whole-time Director & CEO

**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;

- (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;
  - u) Review and monitor the process for compliance with laws, regulations and the code of conduct as per SEBI (Prohibition of Insider Trading) Regulations, 2015 and all other applicable Laws, rules and regulations, if any;
  - v) Review all the provisions as per the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (LODR) Regulations, 2015 as amended from time to time; and
  - w) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee also 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 includes 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 behaviour, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avails the mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. Further, no whistle blower complaints has been received during the financial year 2019-20. The Policy is available on the website of the Company, [www.dilipbuildcon.com](http://www.dilipbuildcon.com).

### **b) Stakeholder's Relationship Committee**

Stakeholder's 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 1 (One) time during the Financial Year 2019-20 on May 10, 2019. The requisite quorum was present at the Meeting. The details of the same are as under:

S. No.	Name of Directors	Designation	Number of meetings attended
1.	Mr. Satish Chandra Pandey	Chairman- Independent Director	1 of 1
2.	Mr. Dilip Suryavanshi	Member -Managing Director	1 of 1
3.	Mr. Devendra Jain	Member-Whole-time Director & CEO	1 of 1
4.	Mr. Ashwini Verma	Member -Independent Director	0 of 1
5.	Dr. Amogh Kumar Gupta	Member- Independent Director	1 of 1

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 2019-20**

There were total 5 (Five) complaints received during the year and were attended and resolved by the Company. Therefore, no complaints were pending as on March 31, 2020. Details of the same are as under:

Particulars	Pending as on March 31, 2019	Financial Year 2019-20		Pending as on March 31, 2020
		Received	Redressed	
Shareholder Complaints	NIL	5	5	Nil

**c) 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 3 (Three) times during the Financial Year 2019-20 on May 10, 2019, August 05, 2019 and November 13, 2019. The requisite quorum was present at all the Meetings. The Chairman of the Nomination and Remuneration Committee was present at the 13<sup>th</sup> Annual General Meeting of the Company held in the Financial Year 2019-20.

The Details of the same are as under:

S. No.	Name of Directors	Designation	Number of meetings attended
1.	Mr. Satish Chandra Pandey	Chairman - Independent Director	3 of 3
2.	Mr. Ashwini Verma	Member - Independent Director	2 of 3
3.	Dr. Amogh Kumar Gupta	Member - Independent Director	2 of 3

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

The Nomination and Remuneration policy was adopted by the Board on the recommendation of Nomination & Remuneration Committee. The Policy is available on the website of the Company, [www.dilipbuildcon.com](http://www.dilipbuildcon.com).

**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 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 by the Nomination and Remuneration Committee.

**Mechanism for Evaluation of Board, Committees, Chairperson 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 May 29, 2020. 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; and
- iv. Risk Management.

**Criteria for evaluation of Committees**

- i. Structure of committees;
- ii. Appropriateness of delegation of responsibilities by the Board to its committees;
- 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; and
- viii. The frequency of the Committee meetings is adequate.

**Criteria for evaluation of Chairperson**

- i. Leadership; and
- ii. Managing Relationships.

**Criteria for evaluation of the Executive Directors**

- i. Strategy Formulation & Execution;
- ii. Board Meetings;
- iii. Interpersonal Skills;
- iv. Leadership;
- v. Diligence; and
- 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; and
- 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 annexed to the Board's Report as **Annexure 5**.

### d) 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 the following persons and met 4 (Four) times during the Financial Year 2019-20 on August 05, 2019, November 13, 2019, February 08, 2020 and March 14, 2020. The requisite quorum was present at all the Meetings. The details of the same are as under:

S. No.	Name of Directors	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

S. No.	Name of Directors	Designation	Number of meetings attended
3.	Mr. Devendra Jain	Member-Whole-time Director & CEO	4 of 4
4.	Mr. Ashwini Verma	Member-Independent Director	4 of 4
5.	Dr. Amogh Kumar Gupta	Member-Independent Director	2 of 4

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, [www.dilipbuildcon.com](http://www.dilipbuildcon.com).

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**.

Further, during the year your company has identified seven Projects for CSR activities and has allocated the amount of ₹ 3429.65 Lakhs.

### 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 2019-20 on March 14, 2020. The requisite quorum was present at the Meeting. The details of the same are as under:

S. No.	Name of Directors	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.	Dr. 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:

- i. To formulate a strong and effective group governance policy;
- ii. Establish a Framework for evaluation of the Corporate Governance of the unlisted Subsidiaries of the Company;
- iii. Oversee & evaluate the performance and Corporate Governance practices of the unlisted Subsidiaries of the Company;
- iv. Report any deviation to the Board;
- v. To ensure mandatory disclosures are made to the concerned authorities by the Subsidiaries Companies;
- vi. To ensure that composition of Board of Directors and Committees of subsidiaries are commensurate with the Companies Act, 2013
- vii. To ensure role of the Board and Committees of subsidiaries are clearly defined and they meet at suitable intervals.
- viii. To monitor Subsidiary's Board effectiveness and its roles;
- ix. To recommend such governance practices as may be deemed fit to the unlisted subsidiaries upon getting approval of the Board on the same;

- x. driving consistency in respect of governance and regulatory conduct matters across the Group;
- xi. 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;
- xii. To assist in the compliance of regulatory requirements as may be necessary for various authorities viz. Registrar of Companies, Ministry of Corporate Affairs, NHA, MPRDC, MHRDC, other Central, State and Semi Government organisations, Banks, Tax Authorities etc.;
- xiii. To review the operational and financial performance of the Subsidiaries and if necessary, advise for the betterment.

#### f) Risk Management

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 1 (One) time during the Financial Year 2019-20 on August 05, 2019. The requisite quorum was present at the Meeting. The details of the same are as under:

S. No.	Name of Directors	Designation	Number of meetings attended
1.	Mr. Dilip Suryavanshi	Chairman- Managing Director	1 of 1
2	Mr. Devendra Jain	Member- Whole-time Director & CEO	1 of 1
3.	Mr. Ashwini Verma	Member- Independent Director	1 of 1
4.	Dr. Amogh Kumar Gupta	Member- Independent Director	1 of 1

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



**Terms of reference of the Risk Management Committee are as under:**

1. Laying down risk assessment plan, minimization procedures and informing the Board of the same;
2. 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 Management Policy to create and protect shareholder's 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.

**g) Enquiry Committee for leak of Unpublished Price Sensitive Information**

Pursuant to the amendments in SEBI (PIT) Regulations, 2015, 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 comprises of 3 (three) Members which include Managing Director, Chief Executive officer and Chief Financial Officer of the Company:

No meeting was held during the financial year 2019-20 as there has been no leak of unpublished price sensitive information in the Company. Further, the Company on frequent basis has been intimating to the Stock Exchanges regarding the Price sensitive information as per the SEBI (LODR) Regulations, 2015.

**Other committees constituted by the Board of Directors of the Company for smooth operation of the Business:**

**a) 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	19 of 19
2	Mrs. Seema Suryavanshi	Member- Whole- time Director	19 of 19
3	Mr. Karan Suryavanshi	Member	19 of 19
4	Mr. Bharat Singh	Member	19 of 19
5	Mr. Kundan Kumar Das	Member	19 of 19
6	Mr. Pradeep Suryavanshi	Member	19 of 19

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

The Committee met 19 (Nineteen) times during the Financial Year 2019-20 on April 22, 2019; May 14, 2019; May 30, 2019; June 15, 2019; July 04, 2019; July 23, 2019; August 08, 2019; September 25, 2019; November 05, 2019; November 20, 2019; November 26, 2019; December 23, 2019; January 20, 2020; January 28, 2020; February 14, 2020; February 18, 2020; February 25, 2020; March 03, 2020 and March 12, 2020. 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 ₹ 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.

#### b) 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	17 of 17
2	Mrs. Seema Suryavanshi	Member- Whole- time Director	17 of 17

S. No	Name of Members	Designation	Number of meetings attended
3	Mr. Devendra Jain	Member -Whole- time Director & CEO	17 of 17
4	Mr. Kundan Kumar. Das	Member- AGM Business Development	17 of 17

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

The Committee met 17 (Seventeen) times during the Financial Year 2019-20 on April 16, 2019; April 22, 2019; May 01, 2019; May 27, 2019; June 17, 2019; July 02, 2019; July 12, 2019; July 22, 2019; August 06, 2019; August 21, 2019; September 02, 2019; October 01, 2019; October 29, 2019; November 23, 2019; January 08, 2020; February 01, 2020; and February 05, 2020. 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, dispose 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.

### c) 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	1 of 1
2	Mr. Devendra Jain	Member- Whole-time Director & CEO	1 of 1
3.	Mr. Satish Chandra Pandey	Member- Independent Director	1 of 1
4	Dr. Amogh Kumar Gupta	Member- Independent Director	1 of 1

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

The Committee met 1 (One) time during the Financial Year 2019-20 on March 20, 2020. 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 ₹ 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 ₹ 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.

### d) 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	Number of meetings attended
1.	Mr. Satish Chandra Pandey	Chairman-Independent Director	1 of 1
2.	Mr. Aditya Vijay Singh*	Member-Independent Director	0 of 1
3.	Mr. Bharat Singh	Member	1 of 1
4.	Mr. Raja Ghosh	Member	0 of 1

\* Resigned w.e.f. May 29, 2020 .

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

The Committee met 1 (One) time during the Financial Year 2019-20 on August 05, 2019. The requisite quorum was present at all the Meetings.

Further, due to resignation of Mr. Aditya Vijay Singh, Non-executive Independent Director of the Company, the Business Responsibility Committee was re-constituted with the combination of following directors:

S. No	Name of members	Designation
1	Mr. Satish Chandra Pandey	Chairman- Independent Director
2	Mr. Bharat Singh	Member
3	Mr. Raja Ghosh	Member

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.

#### 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, [www.dilipbuildcon.com](http://www.dilipbuildcon.com)

#### 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 Notes 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, 2020 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 Audit Function reports 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:

The Company is exposed to market risk, credit risk, liquidity risk, regulatory risk, human resource risk and commodity price risk.

**(a) 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 Company's activities exposed to 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.

The sensitivity analysis for interest rate risk has been mentioned in Note 32 of standalone financial statements and consolidated financial statements being part of this Annual Report.

**(b) 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.

**(c) 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.

**(d) Regulatory Risk**

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.

**(e) Human Resource Risk**

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.

**(f) Commodity Price Risk**

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, 2020, the Company has not received any Complaints pertaining to Sexual Harassment.

**For and on behalf of the Board of Directors of  
Dilip Buildcon Limited**

**Dilip Suryavanshi**  
Chairman & Managing Director  
DIN : 00039944

**Place: Bhopal**  
**Date: August 14, 2020**

## 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, debentureholders, suppliers, financial institutions, bankers, Central and State Governments and all the regulatory authorities 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.

**Devendra Jain**  
Whole-time Director & CEO  
DIN : 02374610



## ANNEXURES TO THE BOARD'S REPORT

# 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 DilipBuildcon 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 endeavour 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 dividend.

**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 unfavourable 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.

#### 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 2020**

[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 MP 462016 IN

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 2019-20 ended on 31st March 2020 (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 2020 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Securities Contracts (Regulation-) Act, 1956 ('SCRA') and the rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not Applicable to the Company during the Audit Period)
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2018;
  - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) regulations, 2015; and
- vi) Other laws as specifically applicable to the Company, includes:
  - (a) Indian Tolls Act, 1881 and the rules made there under;
  - (b) Control of National Highway (Land & Traffic) Act, 2002 and the rules made there under;
  - (c) Motor Vehicle Act, 1988 and the rules made there under;
  - (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.
- The Payment of Wages Act, 1936
  - The Minimum Wages Act, 1948
  - Employees Provident Fund Act, 1952
  - The Maternity Benefit Act, 1961
  - The Contract Labour (Regulation & Abolition) Act, 1970
  - The Employees' State Insurance Act, 1948
  - The Factories Act, 1948
  - The Sexual Harassment of Women at workplaces (Prevention, Prohibition and Redressal) Act, 2013
  - The 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
  - Public Liability Insurance Act, 1991
- d) 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;
- e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
- f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

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.

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 of Capital and Disclosure Requirements) Regulations, 2018;
- b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

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, 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: 30.07.2020**

**For Piyush Bindal & Associates**  
**Company Secretaries**

**Piyush Bindal**  
**(Proprietor)**  
**FCS – 6749**  
**CP. No. 7442**  
**UDIN: F006749B000533968**

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 MP 462016 IN

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: 30.07.2020**

**For Piyush Bindal & Associates**  
**Company Secretaries**

**Piyush Bindal**  
**(Proprietor)**  
**FCS – 6749**  
**CP. No. 7442**  
**UDIN: F006749B000533968**

## ANNEXURE 3

### FORM MGT-9

Extract of Annual Return as on the financial year ended on 31<sup>st</sup> March, 2020  
[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: db@dilipbuildcon.co.in Website: www.dilipbuildcon.com
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 -40008, Maharashtra Tel: +91 22 49186000 Fax: +91 22 49186060 E-mail: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in

#### 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	89.12 %
2	Mining of Coal and Lignite	05	10.88%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	Applicable Section
1.	<b>DBL Betul-Sarni Tollways Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45200MP2013PLC030636	Wholly owned Subsidiary	Section 2(87)
2.	<b>DBL Hata-Dargawon Tollways Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45203MP2015PLC034513	Wholly owned Subsidiary	Section 2(87)
3.	<b>DBL Mundargi Harapanahalli Tollways Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45400MP2015PLC034854	Wholly owned Subsidiary	Section 2(87)
4.	<b>DBL Hassan Periyapatna Tollways Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45203MP2015PLC034878	Wholly owned Subsidiary	Section 2(87)
5.	<b>DBL Hirekerur-Ranibennur Tollways Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45200MP2015PLC034882	Wholly owned Subsidiary	Section 2(87)
6.	<b>DBL Kalmath Zarap Highways Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45203MP2016PLC041978	Wholly owned Subsidiary	Section 2(87)
7.	<b>Jalpa Devi Engineering Private Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U29309MP2017PTC042847	Wholly owned Subsidiary	Section 2(87)
8.	<b>Bhavya Infra &amp; Systems Private Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45200MP2007PTC019797	Wholly owned Subsidiary	Section 2(87)
9.	<b>DBL Mahagaon Yavatmal Highways Private Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45309MP2017PTC043177	Wholly owned Subsidiary	Section 2(87)
10.	<b>DBL Wardha Butibori Highways Private Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45309MP2017PTC043184	Wholly owned Subsidiary	Section 2(87)

S. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	Applicable Section
11.	<b>DBL Chandikhole Bhadrak Highways Private Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45309MP2018PTC044998	Wholly owned Subsidiary	Section 2(87)
12.	<b>DBL Anandapuram Anakapalli Highways Private Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45309MP2018PTC045402	Wholly owned Subsidiary	Section 2(87)
13.	<b>DBL Bangalore Nidagatta Highways Private Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45309MP2018PTC045392	Wholly owned Subsidiary	Section 2(87)
14.	<b>DBL Gorhar Khairatunda Highways Private Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45402MP2018PTC045456	Wholly owned Subsidiary	Section 2(87)
15.	<b>DBL Nidagatta Mysore Highways Private Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45309MP2018PTC045485	Wholly owned Subsidiary	Section 2(87)
16.	<b>DBL Rewa Sidhi Highways Private Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45309MP2018PTC045515	Wholly owned Subsidiary	Section 2(87)
17.	<b>DBL Byrapura Challakere Highways Private Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45309MP2018PTC045514	Wholly owned Subsidiary	Section 2(87)
18.	<b>DBL Mangloor Highways Private Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45309MP2018PTC045519	Wholly owned Subsidiary	Section 2(87)
19.	<b>DBL Sangli Bargaon Highways Private Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45209MP2018PTC045510	Wholly owned Subsidiary	Section 2(87)
20.	<b>DBL Bargaon Watambare Highways Private Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45203MP2018PTC045516	Wholly owned Subsidiary	Section 2(87)



S. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	Applicable Section
21.	<b>DBL Mangalwedha Solapur Highways Private Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45309MP2018PTC045517	Wholly owned Subsidiary	Section 2(87)
22.	<b>DBL Bellary Byrapura Highways Private Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45500MP2018PTC046171	Wholly owned Subsidiary	Section 2(87)
23.	<b>Deevin Seismic Systems Private Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45200MP2008PTC044683	Wholly owned Subsidiary	Section 2(87)
24.	<b>DBL Patan Rehli Tollways Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45203MP2015PLC034537	Subsidiary	Section 2(87)
25.	<b>Jalpa Devi Tollways Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45203MP2015PLC034538	Subsidiary	Section 2(87)
26.	<b>DBL Lucknow Sultanpur Highways Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45500MP2016PLC041454	Subsidiary	Section 2(87)
27.	<b>DBL Tuljapur AUSA Highways Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45500MP2017PLC042967	Subsidiary	Section 2(87)
28.	<b>DBL Yavatmal Wardha Highways Private Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45500MP2017PTC043169	Subsidiary	Section 2(87)
29.	<b>DBL-VPR Mining Private Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U10100MP2018PTC044799	Subsidiary	Section 2(87)
30.	<b>DBL Pachhara Coal Mine Private Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U10100MP2018PTC046473	Subsidiary	Section 2(87)
31.	<b>DBL Nadiad Modasa Tollways Limited</b> Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal-462016 (M.P.)	U45200MP2011PLC026188	Associate	Section 2(6)

#### 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-2019				No. of Shares held at the end of the year i.e. 31-March-2020				% 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	102571259	0	102571259	75.00	(0.63)
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>102571359</b>	<b>0</b>	<b>102571359</b>	<b>75.00</b>	<b>(0.63)</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>102571359</b>	<b>0</b>	<b>102571359</b>	<b>75.00</b>	<b>(0.63)</b>
<b>B. Public Shareholding/ other than Promoters</b>									
<b>1. Institutions</b>									
a) Mutual Funds	8661381	0	8661381	6.33	8545917	0	8545917	6.24	(0.09)
b) Banks / FI	109016	0	109016	0.08	93189	0	93189	0.07	(0.01)
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) FIs	13236728	0	13236728	9.68	12786500	0	12786500	9.35	(0.33)

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01- April-2019				No. of Shares held at the end of the year i.e. 31-March-2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
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>22007125</b>	<b>0</b>	<b>22007125</b>	<b>16.09</b>	<b>21425606</b>	<b>0</b>	<b>21425606</b>	<b>15.66</b>	<b>(0.43)</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	2774563	0	2774563	2.03	3166900	0	3166900	2.32	0.29
ii) Overseas	0	0	0	0	0	0	0	0	
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	5394425	100	5394525	3.94	6781333	100	6781433	4.96	1.02
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1834609	0	1834609	1.34	1996909	0	1996909	1.46	0.12
c) Others (specify)	0	0	0	0	0	0	0	0	0
HUF	265435	0	265435	0.20	314177	0	314177	0.23	0.03
Non Resident Indians	405217	0	405217	0.30	400821	0	400821	0.29	(0.01)
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	646785	0	646785	0.47	112413	0	112413	0.08	(0.39)
Trusts	100	0	100	0.00	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>11321184</b>	<b>100</b>	<b>11321284</b>	<b>8.28</b>	<b>12772703</b>	<b>100</b>	<b>12772803</b>	<b>9.34</b>	<b>1.06</b>
<b>Total Public Shareholding /other than promoters (B)=(B)(1)+ (B)(2)</b>	<b>33328309</b>	<b>100</b>	<b>33328409</b>	<b>24.37</b>	<b>34198309</b>	<b>100</b>	<b>34198409</b>	<b>25.00</b>	<b>0.63</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>136769668</b>	<b>100</b>	<b>136769768</b>	<b>100</b>	<b>136769668</b>	<b>100</b>	<b>136769768</b>	<b>100</b>	<b>0</b>

**ii) Shareholding of Promoter:**

SN	Shareholder's Name	Shareholding at the beginning of the year i.e. 01- April-2019			Share holding at the end of the year i.e. 31-March-2020			% 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	Mr. Dilip Suryavanshi	55,673,487	40.71	13.65	55107987	40.30	13.49	(0.41)
2	Mrs. Seema Suryavanshi	11,904,200	8.70	0	11904200	8.70	0	0.00
3	Mr. Devendra Jain	35,863,572	26.22	7.63	35559072	26.00	7.98	(0.22)
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>21.28</b>	<b>102,571,359</b>	<b>74.99</b>	<b>21.47</b>	<b>(0.63)</b>

**iii) Change in Promoters' Shareholding**

SN		Shareholding at the beginning of the year i.e. 01-April-2019		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>Mr. DILIP SURYAVANSHI</b>				
	At the beginning of the year	55,673,487	40.71	55,673,487	40.71
	Decrease in shareholding during the year	(565,500)	(0.41)	55,107,987	40.30
	At the end of the year			55,107,987	40.30
<b>2</b>	<b>Mrs. SEEMA SURYAVANSHI</b>				
	At the beginning of the year	11,904,200	8.70	11,904,200	8.70
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	11,904,200	8.70
	At the end of the year			11,904,200	8.70
<b>3</b>	<b>Mr. DEVENDRA JAIN</b>				
	At the beginning of the year	35,863,572	26.22	35,863,572	26.22
	Decrease in shareholding during the year	(304,500)	(0.22)	35,559,072	26.00
	At the end of the year			35,559,072	26.00

SN		Shareholding at the beginning of the year i.e. 01-April-2019		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>SURYAVANSHI FAMILY TRUST</b>				
	At the beginning of the year	100	0	100	0
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	100	0
	At the end of the year			100	0

**iv) Shareholding Pattern of top ten Shareholders:  
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year i.e. 01-April-2019		Transactions during the year (Increase/Decrease in shareholding during the year)		Cumulative Shareholding during the year 2020	
		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 - CAOPPORTUNITIES FUND</b>	5540434	4.0509	-	-	5540434	4.0509
	Transfer			31 May 2019	354600	5895034	4.3102
	Transfer			07 Jun 2019	89200	5984234	4.3754
	Transfer			09 Aug 2019	158700	6142934	4.4914
	Transfer			16 Aug 2019	222610	6365544	4.6542
	Transfer			23 Aug 2019	309800	6675344	4.8807
	Transfer			20 Sep 2019	78000	6753344	4.9377
	Transfer			30 Sep 2019	31858	6785202	4.9610
	Transfer			11 Oct 2019	34000	6819202	4.9859
	Transfer			18 Oct 2019	617000	7436202	5.4370
	Transfer			22 Nov 2019	30200	7466402	5.4591
	Transfer			20 Dec 2019	15500	7481902	5.4704
	Transfer			27 Dec 2019	(1493)	7480409	5.4693
	Transfer			21 Feb 2020	45000	7525409	5.5022
	Transfer			28 Feb 2020	82000	7607409	5.5622
	Transfer			13 Mar 2020	78442	7685851	5.6196
	Transfer			20 Mar 2020	103736	7789587	5.6954

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year i.e. 01-April-2019		Transactions during the year (Increase/Decrease in shareholding during the year)		Cumulative Shareholding during the year 2020	
		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			31 Mar 2020	22600	7812187	5.7119
	<b>At the end of the year</b>					7812187	5.7119
<b>2.</b>	<b>EAST BRIDGE CAPITAL MASTER FUND LIMITED</b>	2606064	1.9054	-	-	2606064	1.9054
	<b>At the end of the year</b>					2606064	1.9054
<b>3.</b>	<b>ABU DHABI INVESTMENT AUTHORITY - BEHAVE</b>	945590	0.6914			945590	0.6914
	Transfer			31 May 2019	464410	1410000	1.0309
	Transfer			26 Jul 2019	68105	1478105	1.0807
	Transfer			02 Aug 2019	161960	1640065	1.1991
	Transfer			09 Aug 2019	37364	1677429	1.2265
	Transfer			16 Aug 2019	627571	2305000	1.6853
	Transfer			29 Nov 2019	(75669)	2229331	1.6300
	<b>At the end of the year</b>					2229331	1.6300
<b>4.</b>	<b>FRANKLIN TEMPLETON INVESTMENT FUNDS</b>	1869485	1.3669			1869485	1.3669
	Transfer			31 May 2019	48907	1918392	1.4026
	<b>At the end of the year</b>					1918392	1.4026
<b>5.</b>	<b>AADI FINANCIAL ADVISORS LLP</b>	1223051	0.8942	-	-	1223051	0.8942
	<b>At the end of the year</b>					1223051	0.8942
<b>6.</b>	<b>LATA MANEK BHANSHALI</b>	667986	0.4884	-	-	667986	0.4884
	<b>At the end of the year</b>					667986	0.4884
<b>7.</b>	<b>EAST BRIDGE CAPITAL MASTER FUND I LTD</b>	639202	0.4674	-	-	639202	0.4674
	<b>At the end of the year</b>					639202	0.4674
<b>8.</b>	<b>TREETOP GLOBAL SICAV - TREETOP SEQUOIA EQUITY</b>	564000	0.4124	-	-	564000	0.4124
	<b>At the end of the year</b>					564000	0.4124
<b>9.</b>	<b>PROFITEX SHARES AND SECURITIES PRIVATE LIMITED</b>	0	0.0000			0	0.0000
	Transfer			27 Mar 2020	560000	560000	0.4094
	<b>At the end of the year</b>					560000	0.4094
<b>10.</b>	<b>VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND</b>	567675	0.4151			567675	0.4151
	Transfer			26 Apr 2019	(15384)	552291	0.4038
	<b>At the end of the year</b>					552291	0.4038

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year i.e. 01-April-2019		Transactions during the year (Increase/Decrease in shareholding during the year)		Cumulative Shareholding during the year 2020	
		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>11.</b>	<b>DSP INDIA T.I.G.E.R. FUND</b>	2463677	1.8013			2463677	1.8013
	Transfer			05 Apr 2019	(30000)	2433677	1.7794
	Transfer			24 May 2019	(220058)	2213619	1.6185
	Transfer			31 May 2019	(1139693)	1073926	0.7852
	Transfer			07 Jun 2019	(132928)	940998	0.6880
	Transfer			14 Jun 2019	(478173)	462825	0.3384
	Transfer			21 Jun 2019	(173361)	289464	0.2116
	Transfer			25 Oct 2019	(204531)	84933	0.0621
	Transfer			01 Nov 2019	754	85687	0.0627
	Transfer			22 Nov 2019	46322	132009	0.0965
	Transfer			17 Jan 2020	76565	208574	0.1525
	Transfer			24 Jan 2020	51179	259753	0.1899
	Transfer			31 Jan 2020	37869	297622	0.2176
	Transfer			20 Mar 2020	(11024)	286598	0.2095
	<b>At the end of the year</b>					286598	0.2095
<b>12.</b>	<b>THE WELLINGTON TRUST COMPANY, NATIONAL ASSOCIATION MULTIPLE COLLECTIVE INVESTMENT FUNDS TRUST, OPPORTUNISTIC EQUITY PORTFOLIO</b>	742514	0.5429			742514	0.5429
	Transfer			05 Apr 2019	(27496)	715018	0.5228
	Transfer			19 Apr 2019	42531	757549	0.5539
	Transfer			26 Apr 2019	37918	795467	0.5816
	Transfer			03 May 2019	(80224)	715243	0.5230
	Transfer			10 May 2019	(42963)	672280	0.4915
	Transfer			31 May 2019	(15960)	656320	0.4799
	Transfer			07 Jun 2019	(91627)	564693	0.4129
	Transfer			14 Jun 2019	(69826)	494867	0.3618
	Transfer			05 Jul 2019	(74600)	420267	0.3073
	Transfer			02 Aug 2019	(26842)	393425	0.2877
	Transfer			06 Sep 2019	(13023)	380402	0.2781
	Transfer			04 Oct 2019	(10853)	369549	0.2702
	Transfer			18 Oct 2019	(369549)	0	0.0000

## v) Shareholding of Directors and Key Managerial Personnel:

S N	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year i.e. 01- April-2019		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>Mr. DILIP SURYAVANSHI</b>				
	At the beginning of the year	55,673,487	40.71	55,673,487	40.71
	Decrease in shareholding during the year	(565,500)	(0.41)	55,107,987	40.29
	At the end of the year			55,107,987	40.29
<b>2</b>	<b>Mrs. SEEMA SURYAVANSHI</b>				
	At the beginning of the year	11,904,200	8.70	11,904,200	8.70
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	11,904,200	8.70
	At the end of the year			11,904,200	8.70
<b>3</b>	<b>Mr. DEVENDRA JAIN</b>				
	At the beginning of the year	35,863,572	26.22	35,863,572	26.22
	Decrease in shareholding during the year	(304,500)	(0.22)	35,559,072	26.00
	At the end of the year			35,863,572	26.00
<b>4</b>	<b>Mr. 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
	At the end of the year			Nil	Nil
<b>5</b>	<b>Mr. ASHWINI VERMA</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	Nil	Nil
	At the end of the year			Nil	Nil
<b>6</b>	<b>Mr. 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
	At the end of the year			Nil	Nil
<b>7</b>	<b>Mr. SATISH CHANDRA PANDEY</b>				



S N	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year i.e. 01- April-2019		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	Nil	Nil	Nil	Nil
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	Nil	Nil
	At the end of the year			Nil	Nil
<b>8.</b>	<b>Mr. VIJAY CHHIBBER</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	Nil	Nil
	At the end of the year			Nil	Nil
<b>9</b>	<b>Mr. MALAY MUKHERJEE</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	Nil	Nil
	At the end of the year			Nil	Nil
<b>10.</b>	<b>Ms. RATNA VISHWNATAHAN DHARASHREE**</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	Nil	Nil
	At the end of the year			Nil	Nil
<b>11</b>	<b>Mr. ABHISHEK SHRIVASTAVA</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Increase/Decrease in shareholding during the year (NO CHANGE)	-	-	Nil	Nil
	At the end of the year			Nil	Nil
<b>12</b>	<b>Mr. 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
	At the end of the year			200	0.00

\*Resigned w.e.f. May 29, 2020

\*\*Appointed as an Additional Woman Director (Independent) w.e.f. 30.03.2019 & Further Regularised as Director w.e.f. 17.09.2019.

## V. INDEBTEDNESS—Indebtedness of the Company including interest outstanding/accrued but not due for payment

(in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	35,508,056,253.25	255,427,385.00	-	35,763,483,638.25
ii) Interest due but not paid	0.00	0.00	-	0.00
iii) Interest accrued but not due	136,060,274.00	0.00	-	136,060,274.00
<b>Total (i+ii+iii)</b>	<b>35,644,116,527.25</b>	<b>255,427,385.00</b>	<b>-</b>	<b>35,899,543,912.25</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	0.00	0.00	-	0.00
* Reduction	2,967,439,161.00	253,021,760.00	-	3,220,460,921.00
<b>Net Change</b>	<b>(2,967,439,161.00)</b>	<b>(253,021,760.00)</b>	<b>-</b>	<b>(3,220,460,921.00)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	32,559,782,571.25	2,405,625.00	-	32,562,188,196.25
ii) Interest due but not paid	0.00	0.00	-	0.00
iii) Interest accrued but not due	116,894,795.00	0.00	-	116,894,795.00
<b>Total (i+ii+iii)</b>	<b>32,676,677,366.25</b>	<b>2,405,625.00</b>	<b>-</b>	<b>32,679,082,991.25</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL—

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(in ₹)

S N	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Dilip Suryavanshi (Chairman & Managing Director)	Mrs. Seema Suryavanshi (Whole-time Director)	Mr. Devendra Jain (Whole-time Director & CEO)	
<b>1</b>	<b>Gross salary</b>				
	(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	-	-	-	-

S N	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Dilip Suryavanshi (Chairman & Managing Director)	Mrs. Seema Suryavanshi (Whole-time Director)	Mr. Devendra Jain (Whole-time Director & CEO)	
2	Stock Option	NIL	NIL	NIL	
3	Sweat Equity	NIL	NIL	NIL	
4	Commission	4,00,00,000	-	7,00,00,000	11,00,00,000
	- as % of profit	0.70%		1.23%	1.93%
	- others, specify...				
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	₹ 57,09,14,500 (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

(in ₹)

SN.	Particulars of Remuneration	Name of Directors							Total Amount
		Mr. Aditya Vijay Singh	Mr. Ashwini Verma	Dr. Amogh Kumar Gupta	Mr. Satish Chandra Pandey	Mr. Vijay Chhibber	Mr. Malay Mukherjee	Ms. Ratna Dharashree Vishwanathan	
1	<b>Independent Directors</b>								
	Fee for attending board committee meetings	60,000	5,95,000	2,65,000	665,000	4,00,000	5,25,000	525,000	30,35,000
	Commission	1,00,000	4,00,000	2,00,000	5,00,000	4,00,000	5,00,000	500,000	26,00,000
	Others, please specify	-	-	-	-	-	-	-	-
	<b>Total (1)</b>	<b>1,60,000</b>	<b>9,95,000</b>	<b>4,65,000</b>	<b>11,65,000</b>	<b>8,00,000</b>	<b>10,25,000</b>	<b>10,25,000</b>	<b>56,35,000</b>
2	<b>Other Non-Executive Directors</b>								
	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>1,60,000</b>	<b>9,95,000</b>	<b>4,65,000</b>	<b>11,65,000</b>	<b>8,00,000</b>	<b>10,25,000</b>	<b>10,25,000</b>	<b>56,35,000</b>

SN.	Particulars of Remuneration	Name of Directors						Total Amount
	Ceiling as per the Act (1% of the Net Profit)							5,70,91,450
	Total Managerial Remuneration (A)+(B)							36,56,35,000
	Overall Ceiling as per the Act (11% of the Net Profit)							62,80,05,950

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

(in ₹)

SN	Particulars of Remuneration	ABHISHEK SHRIVASTAVA CS	RADHEY SHYAM GARG PRESIDENT & CFO	Total
<b>1</b>	<b>Gross salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	28,06,321	66,10,000	94,16,321
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	32,400	32,400	64,800
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil		Nil
4	Commission		Nil	
	- as % of profit	Nil		Nil
	others, specify		Nil	
5	Others, please specify	Nil	Nil	Nil
	<b>Total</b>	<b>28,38,721</b>	<b>66,42,400</b>	<b>94,81,121</b>

**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 of  
Dilip Buildcon Limited**

**Dilip Suryavanshi**  
Chairman & Managing Director  
DIN : 00039944

**Devendra Jain**  
Whole -time Director & CEO  
DIN : 02374610

**Place: Bhopal**  
**Date: August 14, 2020**

## ANNEXURE 4

### ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2019-20

[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]

<p>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 undertaken with web-link to CSR policy and Projects or programs</p>	<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> </ol>
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	<p>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;</p> <p>6. Measures for the benefit of armed forces veterans, war widows and their dependents;</p> <p>7. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;</p> <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">www.dilipbuildcon.com</a></p>															
2. Composition of the CSR Committee.	<p>CSR Committee consists of following members:</p> <table border="0"> <tr> <td>i. Mr. Satish Chandra Pandey</td> <td>- Independent Director</td> <td>- Chairman</td> </tr> <tr> <td>ii. Mr. DilipSuryavanshi</td> <td>- Managing Director</td> <td>- Member</td> </tr> <tr> <td>iii. Mr. Devendra Jain</td> <td>- Whole-time Director &amp; CEO</td> <td>- Member</td> </tr> <tr> <td>iv. Mr. Ashwini Verma</td> <td>- Independent Director</td> <td>- Member</td> </tr> <tr> <td>v. Dr. Amogh Kumar Gupta</td> <td>- Independent Director</td> <td>- Member</td> </tr> </table>	i. Mr. Satish Chandra Pandey	- Independent Director	- Chairman	ii. Mr. DilipSuryavanshi	- Managing Director	- Member	iii. Mr. Devendra Jain	- Whole-time Director & CEO	- Member	iv. Mr. Ashwini Verma	- Independent Director	- Member	v. Dr. Amogh Kumar Gupta	- Independent Director	- Member
i. Mr. Satish Chandra Pandey	- Independent Director	- Chairman														
ii. Mr. DilipSuryavanshi	- Managing Director	- Member														
iii. Mr. Devendra Jain	- Whole-time Director & CEO	- Member														
iv. Mr. Ashwini Verma	- Independent Director	- Member														
v. Dr. Amogh Kumar Gupta	- Independent Director	- Member														
3. Average Net profits of the company for the last three Financial Years	₹ 61,244.70 Lakhs															
4. Prescribed CSR expenditure (Two percent of the amount in item no. 3 above)	₹ 1224.89 Lakhs															
5 Details of CSR Spent during the financial year:																
(a) Total amount to be spent for the financial year 2019-20: ₹ 1224.89 Lakhs																
(b) Amount unspent for the financial year: ₹ 1032.29 Lakhs																
(c) Manner in which the amount spent during the financial year is detailed below:																

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 (₹ in Lakhs)	Amount spent on the projects or programs Sub - heads: (1) Direct expenditure on projects or programs (2) Overheads (₹ in Lakhs)	Cumulative expenditure upto reporting period (₹ 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	12.25	11.25	94.46	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	12.25	8.50	163.38	Both
3.	Promoting Sports	Training to promote rural sports, nationally recognized sports, paralympic sports and olympic sports.	Pan India	12.25	5.41	31.45	Both
4.	Rural Development Projects	Rural Development projects and training centers	Pan India	12.25	0.58	59.35	Both
5.	Road Safety	Road safety, Driver training, Accident Prevention training, skill for Life training program, Awareness Campaigns, Events on road safety, Donation for Road safety products, Road safety research, provide Ambulance, Highways Trauma Centres, providing Medical aid & Legal aid etc.	Pan India	1102.40	166.88	166.88	Both
<b>TOTAL AMOUNT SPENT</b>					<b>192.60</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. During the year your company has identified seven Projects for CSR activities and has allocated the amount of ₹ 3429.65 lakhs.
8. 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: 14.08.2020

## ANNEXURE 6

### Particulars of contracts/arrangements entered into by the company with related parties as on March 31, 2020

#### 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/transaction	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 (₹ In Crores)
1.	DBL Mangloor Highways Private Limited(DMHPL)  Relationship :- Wholly Owned Subsidiary of Dilip Buildcon Limited	EPC Agreement	The contract shall remain in force w.e.f. 02.04.2019 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.	EPC contract date :- 02.04.2019  Amount of contract:- ₹ 649.03 Crores (Rupees Six Hundred and Forty Nine Crores and Three Lacs only) is exclusive of price escalation if any.  Mobilisation advance: A Mobilisation Advance equal to 10% of Bid Project Cost shall be payable to the EPC Contractor.  The Mobilization Advance shall be deductible from payment of bills raised by the EPC Contractor, which shall commence after completion of 20% EPC works and shall be fully deducted upon completion of 75% of EPC works  Interest on MA shall be paid by the company (SPV) to NHAI and same be recovered from DBL on back to back basis.  Material advance- Non Perishable materials brought to site - 75 % of invoice value of the materials shall be payable.	15.05.2018	41.12



S. No	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transaction	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 (₹ In Crores)
				<p>Bonus:-DMHPL shall transfer the whole amount of bonus received from NHAI to Dilip Buildcon Limited on early completion of project.</p> <p>Insurance: All required insurance during the construction period shall be arrange and borne by SPV.</p> <p>Time schedule: Dilip Buildcon Limited shall complete work/achieve COD within the time period as permitted in concession agreement.</p>		
2.	<p>DBL Bellary Byrapura Highways Private Limited (DBBHPL)</p> <p>Relationship :- Wholly Owned Subsidiary of Dilip Buildcon Limited</p>	EPC Agreement	<p>This contract shall come into force w.e.f 09.04.2019 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>	<p>EPC Contract date:-09.04.2019</p> <p>Amount of EPC contract:-₹ 994.00 Cr. (Rupees Nine Hundred Ninety Four Crores only) is exclusive of price escalation if any.</p> <p>Mobilisation advance: A Mobilisation Advance equal to 10% of Bid Project Cost shall be payable to the EPC Contractor.</p> <p>The Mobilization Advance shall be deductible from payment of bills raised by the EPC Contractor, which shall commence after completion of 10% EPC works and shall be fully deducted upon 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>Material advance:-Non Perishable materials brought to site - 75 % of invoice value of the materials shall be payable.</p> <p>Bonus:-DBBHPL shall transfer the whole amount of bonus received from NHAI to Dilip Buildcon Limited on account of early completion of project.</p> <p>Insurance: All required insurance during the construction period shall be arranged and borne by SPV.</p> <p>Time schedule: Dilip Buildcon Limited shall complete work/achieve COD within the time period as permitted in concession agreement.</p>	14.08.2018	89.35

S. No	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transaction	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 (₹ In Crores)
3.	DBL Gorhar Khairatunda Highways Private Limited (DGKHPL)  Relationship :- Wholly Owned Subsidiary of Dilip Buildcon Limited	EPC Agreement	This contract shall come into force w.e.f 27.07.2019 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.	EPC contract date :- 27.07.2019  Amount of EPC contract:-₹ 678.36 Crores (Rupees Six Hundred and Seventy Eight crores and Thirty Six lacs only) is exclusive of price escalation if any.  Mobilisation advance  The Mobilization Advance shall be deductible from payment of bills raised by the EPC Contractor, which shall commence after completion of 20% EPC works and shall be fully deducted upon completion of 75% of EPC works.  An Interest Free Mobilisation Advance equal to 10% of Bid Project Cost shall be payable to the EPC Contractor.  Insurance: The SPV company shall at its cost and expense, purchase and maintain all required insurance (Including contractor 's all Risk policy) as per the provisions given in the concession agreement..  Time schedule: Dilip Buildcon Limited shall complete work/achieve COD within the time period as permitted in concession agreement.	15.05.2018	50.88

For and on behalf of  
**Dilip Buildcon Limited**

**Dilip Suryavanshi**  
DIN: 00039944  
Managing Director

**Devendra Jain**  
DIN: 02374610  
Whole-time Director & CEO

Place : Bhopal  
Date :14.08.2020

## 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 2019-20, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2019-20 are as under:

**TABLE I**

Sr. No.	Name of Directors/KMP	Designation	Remuneration of Directors/ KMP for the Financial Year 2019-20 (In ₹)	% increase in Remuneration in the Financial Year 2019-20	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%	681.32
2	Mrs. Seema Suryavanshi	Whole-time Director	2,00,00,000	0%	85.16
3	Mr. Devendra Jain	Whole-time Director & CEO	18,00,00,000	0%	766.49
4	Mr. Aditya Vijay Singh	Independent Director	1,60,000	-33%	NA
5	Mr. Satish Chandra Pandey	Independent Director	11,65,000	228%	NA
6	Mr. Vijay Chhibber	Independent Director	8,00,000	300%	NA
7	Mr. Ashwini Verma	Independent Director	9,95,000	149%	NA
8	Dr. Amogh Kumar Gupta	Independent Director	4,65,000	16%	NA
9	Mr. Malay Mukherjee	Independent Director	10,25,000	310%	NA
10	Ms. Ratna Dharashree Vishwanathan	Independent Director	10,25,000	4000% <sup>1</sup>	NA
11	Mr. Radhey Shyam Garg	Chief Financial Officer	66,42,400	413% <sup>2</sup>	28.28
12	Mr. Abhishek Shrivastava	Company Secretary	28,38,720	3%	12.08%

1. Appointed as an Independent Woman Director w.e.f. March 30, 2019.
2. Appointed as Chief Financial Officer w.e.f. December 10, 2018 and further designated as President & Chief Financial Officer w.e.f. June 01, 2019

**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 ₹ 234835.11 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 2019-20:**

The median remuneration of employees of the Company during the Financial Year was ₹ 234835.11/- per annum as compare to previous year where the median remuneration of employee was ₹ 232155.50/- per annum.

Hence there is an increase of 1% in the median remuneration of employees as compared to previous financial year 2018-19.

*Further, during the financial year 2019-20, Company has appointed 25055 new employees during the year and the remuneration of the new employees cannot be comparable with the employees worked in previous year 2018-19. Hence, we have taken the data of only those employees who worked in both the financial years i.e. 2018-19 and 2019-20 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, 2020:**

The number of permanent Employees on the rolls of the Company as on March 31, 2020 is 38569.

**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 9.66% 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 section 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 ₹ 8.5 Lakhs per Month:

S. No	Employee Name	Designation, nature of employment	Educational Qualification	Age (years)	Experience	Date of Joining	Remuneration paid (₹)	Previous employer	Relation with Director or manager if any
1	Mr. Dilip Suryavanshi	Chairman & Managing Director	B.E. (Civil)	63	36 Years	12.06.2006	16,00,00,000	-	Husband of Seema Suryavanshi – whole time director
2.	Mr. Devendra Jain	Whole time Director and CEO	B.E. (Civil)	47	21 years	01.04.2009	18,00,00,000	Mahatma Gandhi College (he was an assistant professor at Mahatma Gandhi College)	-
3.	Mrs. Seema Suryavanshi	Whole time Director	BA (Honours)	57	20 years	12.06.2006	2,00,00,000	-	Wife of Dilip Suryavanshi – Managing Director
4.	Mr. Rohan Suryavanshi	Head-Strategy & Planning	MBA	33	6 years	01.04.2014	1,22,00,000	-	Son of Dilip Suryavanshi and Seema Suryavanshi Directors of the Company
5	Mr. Ajay Kumar Mishra	President- Contract Management	MSc. & PGDBA (Finance)	56	35 Years	22.01.2018	1,01,02,774	Empanelled Arbitrator with SAROD NHAI	--
6.	Mr. Karan Suryavanshi	Head - Business Development	BBA	30	9 years	01.04.2010	97,60,000	-	Son of Dilip Suryavanshi and Seema Suryavanshi Directors of the Company
7.	Mr. Bharat Singh	President	Intermediate	60	36 years	12.06.2006	84,00,000	He joined M/s. Dilip Builders in 1988-1989, which was acquired by our Company.	
8.	Radhey Shyam Garg	Chief Financial Officer	CA & CS	63	38 Years	18.06.2018	66,42,400	Gangavaram Port Limited	-
9.	Atul Joshi	Associate Vice President	DIP-CIVIL	53	31 Years	25.03.2010	62,39,960	GAYATRI IBCBPPL (JV) (2008-2010)	-
10.	Shankar Palaniappan	Project Head-Structure	B.E. Civil & Structure	52	31 Years	16.09.2016	55,32,083	VSL India Private Limited	

- 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 ₹ 8.5 Lakhs per month or more for part of the year.

- c) 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 Surya vanshi**

DIN: 00039944

Managing Director

**Devendra Jain**

DIN: 02374610

Whole-time Director & CEO

Place : Bhopal

Date :14.08.2020

## 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. The policies and the code are reviewed periodically to ensure their continuing relevance, effectiveness and responsiveness to the needs of our stakeholders.

### 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, it 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 stakeholder's 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 Shareholders, Board of Directors, Committees, Auditors and the Senior Management of the Company.

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 & CEO of the Company 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 within the specified timeline as prescribed in the said regulations. 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 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.

### 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. During the financial year 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 the SAP HANA - ERP which gives us the integrated business operations platform covering all business functions & departments to execute our



projects and provides strong checks & controls in all business functions. This automated & zero error ERP has resulted into accuracy & efficiency which provides strong internal financial control system.

### 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 the Financial Year 2019-20 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 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

1. 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, 2020, the Board of directors of the Company comprises of 10 (Ten) Directors. Out of the 10 (Ten) Directors, 7 (Seven) are the Non-Executive Independent Directors which also includes Women Director. The composition of the Board (including category) of Directors as on March 31, 2020 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 including Independent Woman Director	1.	Mr. Aditya Vijay Singh*
	2.	Mr. Satish Chandra Pandey
	3.	Mr. Ashwini Verma
	4.	Dr. Amogh Kumar Gupta
	5.	Mr. Vijay Chhibber
	6.	Mr. Malay Mukherjee
	7.	Ms. Ratna Dharashree Vishwanathan#

\* Resigned w.e.f. May 29, 2020 .

# Regularised as a Woman Independent Director w.e.f. September 17, 2019.

2. None of the directors are related to each other on the Board except Mr. Dilip Suryavanshi and Mrs. Seema Suryavanshi, being spouse.
3. None of the directors has received any loans and advances from the Company during the year.
4. 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, 2020 have been made by the Directors.
5. None of the Directors including Independent Director on the Board hold directorships in more than seven listed entities.
6. None of the Directors hold any convertible instruments in the company.
7. 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, 2020 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.	Mr. Dilip Suryavanshi	63	Chairman & Managing Director (Executive)	Dilip Buildcon Limited	3	1
2.	Mrs. Seema Suryavanshi	57	Whole-time Director (Executive)	Dilip Buildcon Limited	3	3
3.	Mr. Devendra Jain	47	Whole-time Director & CEO (Executive)	Dilip Buildcon Limited	1	Nil
4.	Mr. Aditya Vijay Singh*	75	Independent Director (Non Executive)	Dilip Buildcon Limited	Nil	Nil
5.	Mr. Ashwini Verma	49	Independent Director (Non Executive)	Dilip Buildcon Limited	8	8 (including 3 as Chairman)
6.	Dr. Amogh Kumar Gupta	58	Independent Director (Non Executive)	Dilip Buildcon Limited	7	7 (including 3 as Chairman)
7.	Mr. Satish Chandra Pandey	80	Independent Director (Non Executive)	Dilip Buildcon Limited	Nil	Nil
8.	Mr. Vijay Chhibber	64	Independent Director (Non Executive)	1. Dilip Buildcon Limited	3	Nil
			Independent Director (Non Executive)	2. Century Plyboards (India) Ltd.		
9.	Mr. Malay Mukherjee	65	Independent Director (Non Executive)	1. Dilip Buildcon Limited	2	1
			Independent Director (Non Executive)	2. SREI Infrastructure Finance Limited		
10.	Ms. Ratna Dharashree Vishwanathan@	57	Women Independent Director (Non Executive)	1. Dilip Buildcon Limited	1	2 (including 1 as Chairman)
			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.

\* Resigned w.e.f. May 29, 2020.

@ Regularised as a Woman Independent Director w.e.f. September 17, 2019.

## B) DIRECTOR'S 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 University of Jabalpur. He has over 37 years of experience in the business of construction. Prior to the formation of our Company, he was a sole proprietor of Dilip Builders. He is currently the president of the Madhya Pradesh Builders Associations. He is the Promoter and Director of your company since incorporation. As the Managing Director of your Company, 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 finance, investment and various Company affairs as a co-ordinator between execution and administrative wing of your Company. She actively participates in the CSR activities and handles the business 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 your Company, he was an assistant professor at Mahatma Gandhi College, Bhopal and Swami Vivekananda Mahavidyalaya. He looks after project implementation along with the quality of work and ensures timely completion of the projects undertaken by your Company. He 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.

**Mr. Ashwini Verma** is a Non-Executive and Independent Director on the Board of your Company. He holds a bachelor's degree in Civil Engineering from Rajiv Gandhi Proudyogiki 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.

**Dr. 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. Recently, he has been appointed as 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, Business Responsibility Committee and Stakeholder's 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 and hold the degree of Member Institute of Engineers (M.I.E). He was also Ex-vice president of Indian Road Congress. He has previously worked as Engineer-in-Chief and Secretary with the Public Works Department, Government of

Madhya Pradesh. During 38 years of experience and career in Public Works Department his credit of supervising are major roads, bridges, building works including Indore bypass, a project of World Bank.

**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 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.

**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 42 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 on the Board of NABIL Bank, Nepal and other NBFCs/ Companies in India.

**Ms. Ratna Dharashree Vishwanathan** is a Non-Executive and Woman Independent Director of your Company. She holds Master's Degree in English Literature from Lucknow University, Diploma in Environment and Third World Development from London School of Economics. She has nearly 32 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.

#### **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, harbours, channels, irrigation projects, pipelines, power plants, water and sewage systems and 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, 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 all types of equipment and handle the efficient storage of all hazardous materials and perform quality audits, to liaise with the Technical Engineer, Coordinate with the consultants 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) Machine & Equipment:** 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, liasioning with Government for necessary clearances, different inspections and Audit.
- vii) Accounts, 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, 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 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 centres, disaster recovery.
- x) IT Administrator related to Infrastructure/ Construction Work:** Have the expertise in implementation and guiding about Information technology and its usage in business.
- xi) Corporate Governance:** Deals to have an 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 organizations 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:** Helps in providing a methodology to identify and analyse 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, during the year 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	Mr. Dilip Suryavanshi	Civil Works, Urban Development, Mines and Minerals Extraction, Accounts, Finance and Corporate office, Management and Business Strategy, Project Management, Corporate Governance and Risk Management.
2	Mrs. Seema Suryavanshi	Accounts, Finance and Corporate office.
3.	Mr. Devendra Jain	Civil Works, Urban development, Mines and Minerals Extraction, Quality Assurance Engineering and Quality Control, Structural and Drawings, Machine & Equipment, Accounts, Finance and Corporate office, Management and Business Strategy, Project Management, IT Administrator related to Infrastructure/ Construction policy, Corporate Governance and Risk Management.
4.	Mr. Aditya Vijay Singh*	Management and Business Strategy and Project Management
5	Dr. Amogh Kumar Gupta	Civil Works, Urban Development, Quality Assurance Engineering and Quality control, Structural and Drawings, Management and Business Strategy, Project Management, Corporate Governance and Risk Management.
6	Mr. Ashwini Verma	Civil Works, Quality Assurance Engineering and Quality control, Structural Drawings and Corporate Governance.
7	Mr. Satish Chandra Pandey	Civil Works, Urban Development, Quality Assurance Engineering and Quality control, Structural and Drawings, Machines & Equipment, Project Management, Accounts and finance and Corporate office, Corporate Governance and Risk Management.

S. No	Name of Board of Directors of the Company	Expertise in specific functional areas
8	Mr. Vijay Chhibber	Management and Business Strategy, Project Management, Corporate Governance and Risk Management.
9.	Mr. Malay Mukherjee	Accounts and Finance, Management and Business Strategy, IT Administrator related to Infrastructure/ Construction policy, Corporate Governance and Risk Management
10.	Ms. Ratna Dharashree Vishwanathan	Accounts, Finance and Corporate office, Management and Business Strategy.

\* Resigned w.e.f. May 29, 2020.

### (c) Matrix of expertise and skills of Directors

During the year, directors of the Company (including directors seeking appointment/re-appointment) having different skills and expertise in respective domain area viz.

- Five Directors are having expertise in overall infrastructure work which includes engineering and business development.
- Six Directors are having expertise in Accounts, Finance and Corporate office.
- Six Directors are having expertise in Business Strategy and Corporate Management.
- Two Directors are having expertise in Information Technology sector.
- Six Directors are having expertise in Risk Management.
- Seven Directors are having expertise in Corporate Governance.

### 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 with this section as **Annexure -8** 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 Act. 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 Director's independence. The Board considers the Committee's recommendation and takes appropriate decision. The maximum tenure of independent directors is in the 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 (i) 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.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience (Including the proficiency of the independent director as ascertained from the online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs notified under sub-section (1) of section 150 of the Companies Act, 2013 and are the persons of high integrity and repute. They fulfill the conditions specified in the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and the Rules made thereunder and are independent of the management.

Further, as per the Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019 and Companies (Appointment and Qualification of Directors) Rules, 2014 as amended from time to time, the declaration received from the Independent Directors of the Company related to online Proficiency Self-Assessment Test are as under :

S. No	Name of Independent Directors	Applied online for inclusion of name in data bank	Undertake to appear for the Online Proficiency Test	Cleared the online Proficiency test	Exemption category
1	Mr. Satish Chandra Pandey	07.02.2020	Yes	-	-
2	Dr. Amogh Kumar Gupta	06.02.2020	Yes	-	-
3	Mr. Ashwini Verma	05.02.2020	Yes	-	-
4	Mr. Vijay Chhibber	10.02.2020	-	-	Yes
5	Mr. Malay Mukherjee	07.02.2020	-	31.03.2020	-
6	Ms. Ratna Dharashree Vishwanathan	10.02.2020	Yes	-	-

#### • Meetings of Independent Directors

During the financial year 2019-20, Four (4) meetings of Independent Directors were held on May 10, 2019, August 05, 2019, November 14, 2019 and February 10, 2020 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 of the Company. Requisite quorum was present at the meeting. 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 2019-20, a separate meeting of the Independent Directors was held on May 29, 2020.

- **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 and responsibilities in the Company, nature of the industry in which the Company operates and 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: [www.dilipbuildcon.com](http://www.dilipbuildcon.com)

- 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 Board of 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 is 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: [www.dilipbuildcon.com](http://www.dilipbuildcon.com). 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 given in this Report. Further, the senior management comprises of all the core members of management i.e. one level

below the executive directors which includes CEO/CFO/CS/President also give disclosure to the board of directors on quarterly basis relating to all material, financial and commercial transactions entered if any, where they have any personal interest that may have a potential conflict with the interest of the company.

- 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 was conducted for evaluation of the Board, chairman of the Board and committees, executive Directors and Independent Directors of the Company for the financial year 2019-20 as per requirement of SEBI (LODR) Regulations, 2015 and as per the provisions of the Companies Act, 2013. Further to inform that the Company has engaged an external firm M/s D.K. Jain & Co., Practicing Company Secretary (PCS) to evaluate and appraise independently in a professional manner the performance of the Board and committees in the exercise of its responsibilities and to establish its effectiveness in fulfilling its obligations and to determine its current strength and weakness and to develop improvement and enhancement of statutory Board performance.

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, a structured questionnaire was prepared by M/s D.K. Jain & Co., Practicing Company Secretary (PCS) for the purpose of evaluation of the Board, chairman of the Board and committees, executive Directors and Independent Directors of the Company.

On the basis of the structured questionnaire prepared by M/s D.K. Jain & Co., Practicing Company Secretary, evaluation is being done by the Directors of the Company for the performance of the Board, chairman of the

Board and committees, executive Directors and Independent Directors of the Company with specific focus on the performance and effective functioning of the Board and Individual Directors and fulfillment of the independence criteria as specified in the SEBI Regulations and their independence from the management, provided that in the above evaluation the directors who are subject to evaluation shall not participate. Independent Directors of the Company have conducted their separate meeting on May 29, 2020. The evaluation report submitted by the PCS which reflects the current strength of Governance performance in the Company and complied with the requirement of the SEBI (LODR), Regulations, 2015 read with the section 134 of the Companies Act, 2013. The Board of Directors expressed their satisfaction with the evaluation process.

**F) DETAILS OF EQUITY SHARES OF THE COMPANY HELD BY THE DIRECTORS AS ON MARCH 31, 2020 ARE GIVEN BELOW:**

Name of Directors holding equity shares in the Company	Number of equity shares held	Percentage of shareholding (%)
Mr. Dilip Suryavanshi	55107987	40.29
Mrs. Seema Suryavanshi	11904200	8.70
Mr. Devendra Jain	35559072	26.00

*Note: 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 its Committees to the extent it is applicable and relevant. Such information is submitted either as part of the detailed agenda with its supporting papers in advance of the respective meetings or by way of presentations and discussions during the meetings.

**Recording Minutes of Proceedings of the Board and Committee Meetings**

The Company Secretary records minutes of proceedings of each Board and Committee meetings. As per the applicable Secretarial Standards the draft minutes are circulated to Board/ Committee members 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) are 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, and applicable Secretarial Standards-issued by the Institute of Company Secretaries of India.

#### NUMBER OF BOARD MEETINGS DURING THE FINANCIAL YEAR 2019-20, ATTENDANCE OF THE DIRECTORS AT BOARD MEETINGS AND ANNUAL GENERAL MEETING

- In the Financial Year 2019-20, the Board met 5 (Five) 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. Pursuant to SEBI (LODR) Regulations, 2015 and Companies

Act, 2013 the necessary quorum was present for all the meetings.

The details of Board meetings held during the financial year 2019-20 are as follows:

Sr. No.	Date of Board Meeting	Board Strength	No. of Directors Present
1	10.05.2019	10	9
2	05.08.2019	10	9
3	26.08.2019	10	8
4	14.11.2019	10	6
5	10.02.2020	10	8

#### 2. Attendance of Directors at the Board Meetings and at the last Annual General Meeting (AGM)

Name of the Directors	Number of board meetings during the year 2019-20		Whether attended last AGM held on September 17, 2019
	Held	Attended	
Mr. Dilip Suryavanshi	5	5	Yes
Mrs. Seema Suryavanshi	5	4	Yes
Mr. Devendra Jain	5	5	Yes
Mr. Aditya Vijay Singh#	5	1	No
Mr. Ashwini Verma	5	4	Yes
Dr. Amogh Kumar Gupta	5	2	Yes
Mr. Satish Chandra Pandey	5	5	Yes
Mr. Vijay Chhibber	5	4	No
Mr. Malay Mukherjee	5	5	No
Ms. Ratna Dharashree Vishwanathan	5	5	No

# Resigned w.e.f. May 29, 2020.

#### 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 and commission received by the Non-Executive Directors during the Financial Year 2019-20 are given below:

(In ₹)

S. No	Name of Non-Executive Directors	Sitting Fees	Commission	Total
1	Mr. Aditya Vijay Singh*	60000	100000	160000
2	Mr. Satish Chandra Pandey	665000	500000	1165000
3	Dr. Amogh Kumar Gupta	265000	200000	465000
4	Mr. Ashwini Verma	595000	400000	995000
5	Mr. Vijay Chhibber	400000	400000	800000
6	Mr. Malay Mukherjee	525000	500000	1025000
7	Ms. Ratna Dharashree Vishwanathan	525000	500000	1025000
	<b>TOTAL</b>	<b>3035000</b>	<b>2600000</b>	<b>5635000</b>

\* Resigned w.e.f. May 29, 2020

b) Criteria of making payments to Non-Executive Directors is disclosed on the website of the Company and can be accessed at weblink: [www.dilipbuildcon.com](http://www.dilipbuildcon.com)

c) **Disclosure with respect to remuneration of Executive Directors during the Financial Year 2019-20:**

(In Lakhs)

Name of the Directors	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. Stakeholder's Relationship Committee
3. Nomination and Remuneration Committee
4. Corporate Social Responsibility Committee
5. Group Governance Committee.
6. Risk Management Committee
7. Enquiry Committee for Leak of Unpublished Price Sensitive Information.
8. Borrowing Committee
9. Business Development and Administration Committee
10. Lending and Investment Committee
11. Business Responsibility Committee.

## 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 responsibilities 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, Chairman of the Committee is an independent director and possesses financial expertise.

**The members of the Committee, Meetings and Attendance during the financial year 2019-20 are as under:**

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

\* Resigned w.e.f. May 29, 2020

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

The Audit Committee met 5 (Five) times during the Financial Year 2019-20. The maximum gap between two Meetings was not more than 120 days. The Committee met on May 10, 2019, August 05, 2019, August 26, 2019, November 14, 2019 and February 10, 2020. The requisite quorum was present at all the Meetings. The Chairman of the Audit Committee was present at the 13<sup>th</sup> Annual General Meeting of the Company held in Financial Year 2019-20.

Due to resignation of Mr. Aditya Vijay Singh, Non-executive Independent Director of the Company and further to maintain the composition of the audit committee as per the Companies Act, 2013 and SEBI (LODR), Regulations 2015, the Audit Committee was temporarily re-constituted with the combination of following directors:

S. No.	Name of Directors	Designation
1.	Mr. Satish Chandra Pandey	Chairman -Independent Director
2.	Mr. Ashwini Verma	Member -Independent Director
3.	Dr. Amogh Kumar Gupta	Member -Independent Director
4.	Mr. Dilip Suryavanshi	Member - Managing Director

Further, in order to assist the Board to oversee and objectively assess the financial performance of the company and its financial statements, internal controls, financial reporting, accounting standards, legal and regulatory compliance and the independence of its External Auditors and to strictly monitor and comply with all the applicable laws and regulations, the Board of Directors of the Company at its Board meeting held on August 14, 2020, has approved induction of new members in the audit committee and to make amendment in terms and reference of the audit committee covering all the provisions as per the Securities and Exchange Board of India (LODR) Regulations, 2015 and other applicable laws as amended thereof from time to time.

Considering the same, post reconstitution the Composition of the audit committee are as under:

S. No.	Name of Directors	Designation
1.	Mr. Satish Chandra Pandey	Chairman-Independent Director
2.	Ms. Ratna Dharashree Vishwanathan	Member-Independent Director
3.	Mr. Ashwini Verma	Member - Independent Director
4.	Dr. Amogh Kumar Gupta	Member - Independent Director
5.	Mr. Dilip Suryavanshi	Member - Managing Director
6.	Mr. Devendra Jain	Member -Whole-time Director & CEO

**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;
  - (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;
- u) Review and monitor the process for compliance with laws, regulations and the code of conduct as per SEBI (Prohibition of Insider Trading) Regulations, 2015 and all other applicable Laws, rules and regulations, if any;
- v) Review all the provisions as per the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (LODR) Regulations, 2015 as amended from time to time; and
- w) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- 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.

The Audit Committee also 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;

#### **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 behaviour, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avails the mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. Further, no whistle blower complaints has been received during the financial year 2019-20. The Policy is available on the website of the Company, [www.dilipbuildcon.com](http://www.dilipbuildcon.com).

## 2. Stakeholder's Relationship Committee

Stakeholder's 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 1 (One) time during the Financial Year 2019-20 on May 10, 2019. The requisite quorum was present at the Meeting. The details of the same are as under:

S. No.	Name of Directors	Designation	Number of meetings attended
1.	Mr. Satish Chandra Pandey	Chairman- Independent Director	1 of 1
2.	Mr. Dilip Suryavanshi	Member -Managing Director	1 of 1
3.	Mr. Devendra Jain	Member-Whole-time Director & CEO	1 of 1
4.	Mr. Ashwini Verma	Member -Independent Director	0 of 1
5.	Dr. Amogh Kumar Gupta	Member- Independent Director	1 of 1

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

### The terms of reference of the Stakeholder's 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 2019-20

There were total 5 (Five) complaints received during the year and were attended and resolved by the Company. Therefore, no complaints were pending as on March 31, 2020. Details of the same are as under:

Particulars	Pending as on March 31, 2019	Financial Year 2019-20		Pending as on March 31, 2020
		Received	Redressed	
Shareholder Complaints	NIL	5	5	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.

The Nomination and Remuneration Committee consist of the following persons and all the members of the committee are Independent Directors. The Committee met 3 (Three) times during the Financial Year 2019-20 on May 10, 2019, August 05, 2019 and November 13, 2019.

The requisite quorum was present at all the Meetings. The Chairman of the Nomination and Remuneration Committee was present at the 13<sup>th</sup> Annual General Meeting of the Company held in the Financial Year 2019-20.

The Details of the same are as under:

S. No.	Name of Directors	Designation	Number of meetings attended
1.	Mr. Satish Chandra Pandey	Chairman - Independent Director	3 of 3
2.	Mr. Ashwini Verma	Member - Independent Director	2 of 3
3.	Dr. Amogh Kumar Gupta	Member - Independent Director	2 of 3

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

The Nomination and Remuneration policy was adopted by the Board on the recommendation of Nomination & Remuneration Committee. The Policy is available on the website of the Company, [www.dilipbuildcon.com](http://www.dilipbuildcon.com).

#### **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 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 by the Nomination and Remuneration Committee.

#### **Mechanism for Evaluation of Board, Committees, Chairperson 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 May 29, 2020. 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; and
- Risk Management.

### Criteria for evaluation of Committees

- i. Structure of committees;
- ii. Appropriateness of delegation of responsibilities by the Board to its committees;
- 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; and
- viii. The frequency of the Committee meetings is adequate.

### Criteria for evaluation of Chairperson

- i. Leadership; and
- ii. Managing Relationships.

### Criteria for evaluation of the Executive Directors

- i. Strategy Formulation & Execution;
- ii. Board Meetings;
- iii. Interpersonal Skills;
- iv. Leadership;
- v. Diligence; and
- 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; and
- 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 annexed to the Board's Report as **Annexure 5**.

### 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 the following persons and met 4 (Four) times during the Financial Year 2019-20 on August 05, 2019, November 13, 2019, February 08, 2020 and March 14, 2020. The requisite quorum was present at all the Meetings. The details of the same are as under:

S. No.	Name of Directors	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.	Dr. Amogh Kumar Gupta	Member-Independent Director	2 of 4

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, www.dilipbuildcon.com.

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**.

Further, during the year your company has identified seven Projects for CSR activities and has allocated the amount of ₹ 3429.65 Lakhs.

## 5. 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 2019-20 on March 14, 2020. The requisite quorum was present at the Meeting. The details of the same are as under:

S. No.	Name of Directors	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.	Dr. 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:

- i. To formulate a strong and effective group governance policy;
- ii. Establish a Framework for evaluation of the Corporate Governance of the unlisted Subsidiaries of the Company;
- iii. Oversee & evaluate the performance and Corporate Governance practices of the unlisted Subsidiaries of the Company;
- iv. Report any deviation to the Board;
- v. To ensure mandatory disclosures are made to the concerned authorities by the Subsidiaries Companies;
- vi. To ensure that composition of Board of Directors and Committees of subsidiaries are commensurate with the Companies Act, 2013
- vii. To ensure role of the Board and Committees of subsidiaries are clearly defined and they meet at suitable intervals.
- viii. To monitor Subsidiary's Board effectiveness and its roles;
- ix. To recommend such governance practices as may be deemed fit to the unlisted subsidiaries upon getting approval of the Board on the same;
- x. driving consistency in respect of governance and regulatory conduct matters across the Group;
- xi. 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;
- xii. 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.;

- xiii. To review the operational and financial performance of the Subsidiaries and if necessary, advise for the betterment.

## 6. Risk Management

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 1 (One) time during the Financial Year 2019-20 on August 05, 2019. The requisite quorum was present at the Meeting. The details of the same are as under:

S. No.	Name of Directors	Designation	Number of meetings attended
1.	Mr. Dilip Suryavanshi	Chairman- Managing Director	1 of 1
2	Mr. Devendra Jain	Member- Whole-time Director & CEO	1 of 1
3.	Mr. Ashwini Verma	Member- Independent Director	1 of 1
4.	Dr. Amogh Kumar Gupta	Member- Independent Director	1 of 1

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

### Terms of reference of the Risk Management Committee are as under:

1. Laying down risk assessment plan, minimization procedures and informing the Board of the same;

2. 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 Management Policy to create and protect shareholder's 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.

## 7. Enquiry Committee for leak of Unpublished Price Sensitive Information

Pursuant to the amendments in SEBI (PIT) Regulations, 2015, 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 comprises of 3 (three) Members which include Managing Director, Chief Executive officer and Chief Financial Officer of the Company:

No meeting was held during the financial year 2019-20 as there has been no leak of unpublished price sensitive information in the Company. Further, the Company on frequent basis has been intimating to the Stock Exchanges regarding the Price sensitive information as per the SEBI (LODR) Regulations, 2015.

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.

#### H) SUBSIDIARY COMPANIES

As on March 31, 2020, the Company has 30 (Thirty) Indian Subsidiaries & 1 (One) Associate and all are unlisted. The Company does not have any foreign subsidiaries and associates.

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, one wholly owned subsidiary i.e. "DBL Lucknow Sultanpur Highways Limited" has considered as Material Unlisted Subsidiary.

The SPV Company has also complied with the provisions of regulation 24A 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, 2020.

As per regulation 24 (1) of SEBI (LODR) Regulations, 2015, the Company does not have any material subsidiary. The Policy for determining Material Subsidiaries was adopted by the Board on the recommendation of Audit Committee, pursuant to the amendments in the SEBI (LODR) Regulations, 2015. The Policy is available on our website at [www.dilipbuildcon.com](http://www.dilipbuildcon.com).

#### I) 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 2019-20 were in the ordinary course of business and on arm's length basis. During the Financial Year 2019-20, there were no materially 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. The Policy is available on the website of the Company and can be accessed at the weblink:[www.dilipbuildcon.com](http://www.dilipbuildcon.com)

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 behaviour, 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: [www.dilipbuildcon.com](http://www.dilipbuildcon.com)

**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 the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, are as follows :

(In Lakhs)

S. No.	Name of Statutory Auditors	Type of Services	FY 2019-2020	Total fees
1	Mukund M. Chitale & Co.	Statutory Audit Fee (Including subsidiaries)	40.10	60.10
2		Limited Review	9.00	
3		Others Certification Fee	11.00	
4	MSG & Associates	Statutory Audit Fee (Including subsidiaries)	9.79	12.79
5		Limited Review	3.00	
	<b>Total</b>		<b>72.89</b>	<b>72.89</b>

#### h) Details of the Credit Rating movement during the year:

RATING AGENCY	FACILITY	ORIGINAL	REVISION IF ANY, IN FY 2019-20
<b>CARE</b>	Cash credit	CARE A/STABLE	-
	Non-fund based limit	CARE A1	-
<b>CRISIL</b>	Cash credit	CRISIL A/STABLE	-
	Non-fund based limit	CRISIL A1	-
	Non-convertible debentures	CRISIL A/STABLE	-
	Commercial paper	CRISIL A1	-
<b>INDIA RATING &amp; RESEARCH</b>	Cash credit	IND A+/NEGATIVE	IND A+/STABLE
	Non-fund based limit	IND A1	-
<b>BRICKWORK</b>	Cash credit	BWR A+/STABLE	-
	Non-fund based limit	BWR A1	-
	Commercial paper	BWR A1	Rating Withdrawn



**i) THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2) AS ON MARCH 31, 2020**

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
1.	Board of Directors	17(1)	Composition of Board	Yes
		17(2)	Meeting of Board of Directors	Yes
		17(3)	Review of Compliance Reports pertaining to all laws	Yes
		17(4)	Plans for orderly succession for appointments to the board of directors and senior management	Yes
		17(5)	Code of Conduct of board of directors and senior management	Yes
		17(6)	Fees/Compensation paid to non-executive directors, including independent directors	Yes
		17(7)	Minimum Information to be placed before the Board of Directors	Yes
		17(8)	Compliance Certificate of CEO and CFO	Yes
		17(9)	Lay down the procedures about Risk Assessment & Management	Yes
		17(10)	Performance Evaluation of Independent Directors	Yes
		17 A	Maximum Number of Directorships	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 and Chairman of the Nomination and Remuneration Committee	Yes
		19 (2A)	Quorum for a meeting of the nomination and remuneration committee	Yes
		19(3)& 3A	Presence of the Chairman of the Committee at the Annual General Meeting . Meet at least once in a year	Yes
		19(4)	Role of the Committee	Yes

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
4.	Stakeholder's Relationship Committee	20(1),(2)&(3)	Composition & Meetings of the Stakeholder's Relationship Committee	Yes
		20(4)	Role of the Committee	Yes
5.	Risk Management Committee	21(1),(2)&(3)	Composition & Meeting of Risk Management Committee	Yes
		21(4)	Role of the Committee	Yes
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 all Material Related Party Transactions	N.A.
8.	Subsidiaries of the Company	24(1)	Appointment of Company's Independent Director on the Board of material subsidiary .	N.A.
		24(2),(3),(4),(5) & (6)	Other Corporate Governance requirements with respect to Subsidiary including Material Subsidiary of listed entity.	Yes
	Secretarial Audit	24A	Secretarial Compliance Report	Yes
9.	Obligations with respect to Independent Directors	25(1)&(2)	Alternate Director	N.A.
			Tenure of Independent Director	Yes
		25(3)	Meeting of Independent Directors	Yes
		25(4)	Review of Performance by the Independent Directors	Yes
		25(7)	Familiarisation of Independent Directors	Yes
		25(8)	Declaration by Independent Directors	Yes
	25(10)	Directors & Officers Insurance	Yes	

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
10.	Obligations with respect to Employees including Senior Management, Key Managerial Persons, Directors and Promoters	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 relating to all material, financial and commercial transactions,	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

**For and on behalf of the Board of Directors**

**Dilip Suryavanshi**  
**Chairman & Managing Director**  
**DIN: 00039944**

**Devendra Jain**  
**Whole-time Director & CEO**  
**DIN: 02374610**

**Place: Bhopal**  
**Date: 14.08.2020**

## 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, 2020.

**For Dilip Buildcon Limited**

**Place: Bhopal**  
**Date: 14.08.2020**

**Devendra Jain**  
**Chief Executive Officer**

## 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, 2020 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 and on behalf of the Board of Directors

**Dilip Suryavanshi**  
**Chairman & Managing Director**  
**DIN: 00039944**

**Devendra Jain**  
**Whole-time Director & CEO**  
**DIN: 02374610**

**Place: Bhopal**  
**Date: 14.08.2020**

**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 Narayan Singh Gate,  
Chuna Bhatti, Kolar Road,  
Bhopal - 462016 (M.P.)

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 Gate, Chuna Bhatti, Kolar Road, Bhopal - 462016 (M.P.) (hereinafter referred to as 'the Company'), to the Board of Directors of the Company ('the Board') for the financial year 2020-21. 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 31<sup>st</sup> March 2020, 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	Director Identification Number (DIN)
1.	Mr. Dilip Suryavanshi	00039944
2.	Mrs. Seema Suryavanshi	00039946
3.	Mr. Devendra Jain	02374610
4.	Mr. Vijay Chhibber	00396838
5.	Mr. Malay Mukherjee	02272425
6.	Mr. Aditya Vijay Singh	03585519

Sr. No.	Name of the Directors	Director Identification Number (DIN)
7.	Mr. Ashwini Verma	06939756
8.	Dr. Amogh Kumar Gupta	06941839
9.	Mr. Satish Chandra Pandey	07072768
10.	Ms. 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, 2020.

**For PIYUSH BINDAL & ASSOCIATES**  
"Company Secretaries"

**CS Piyush Bindal**  
(Proprietor)  
Membership No. FCS-6749  
CP No. 7442  
UDIN: F006749B000288173  
Date: 27.05.2020  
Place: Bhopal

**Independent Auditors' Certificate on Compliance with the Corporate Governance requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as Amended**

**To the Members of Dilip Buildcon Limited**

1. This certificate is issued in accordance with the terms of our engagement with Dilip Buildcon 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, 2020, 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.

**Management's Responsibility**

3. The compliance of conditions of corporate governance is the responsibility of the management including the preparation and maintenance of all relevant supporting records and documents. 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) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
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.

**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, D and E 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, 2020.

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 : 20076889AAAABI3117**

**Place: Bhopal**  
**Date: 14.08.2020**

**For Mukund M. Chitale & Co.**  
**Chartered Accountants**  
**Firm Registration No. 106655W**  
**(S.M. Chitale)**  
**Partner**  
**M.No. 111383**  
**UDIN :20111383AAAAX3206**

**Place: Mumbai**  
**Date: 14.08.2020**



## 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.

### General Body Meetings

#### a) 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
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, Madhya Pradesh 462011	<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. Approved 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. Approved 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>

AGM	Financial Year	Date and Time	Venue	Details of Special Resolution Passed
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, Madhya Pradesh 462011	<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 a Director in the category of an Independent Director of the Company, for second consecutive term of five years.</li> <li>3. Re-appointment of Mr. Amogh Kumar Gupta (DIN: 06941839), as a Director in the category of an Independent Director of the Company for second consecutive term of five years.</li> <li>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.</li> <li>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.</li> <li>6. Re-appointment of Mrs. Seema Suryavanshi, (DIN: 00039946) as a Whole-time Director of the Company for a further period of three years.</li> <li>7. Re-appointment of Mr. Devendra Jain, (DIN: 02374610) as a Whole-time Director of the Company for a further period of three years.</li> <li>8. Authorised 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 ₹ 13,000 Crores.</li> <li>9. Authorised 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 ₹ 13,000 Crores.</li> <li>10. Issuance of Non-Convertible Debentures on Private Placement basis.</li> <li>11. Issuance of Commercial Paper on Private Placement basis.</li> <li>12. To approve Default Conversion of Loan into Equity.</li> <li>13. Authorised 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.</li> <li>14. Approved issuance of further shares to meet out the Minimum Public Shareholding of the Company.</li> </ol>

AGM	Financial Year	Date and Time	Venue	Details of Special Resolution Passed
13 <sup>th</sup>	2018-19	September 17, 2019 at 11.00 a.m.	Kwality's Motel Shiraz, Service Road, Board Office Square, Shivaji Nagar, Bhopal, Madhya Pradesh 462011	<ol style="list-style-type: none"> <li>1. 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.</li> <li>2. Issuance of Non-Convertible Debentures on Private Placement basis.</li> <li>3. Issuance of Commercial Paper on Private Placement basis.</li> <li>4. Authorised 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.</li> <li>5. Approved the authority to issue Further Shares.</li> <li>6. Approved the Commission payable to Non Executive Directors of the Company.</li> </ol>

**b) Extra Ordinary General Meeting**

During the financial year 2019-20, the Company has not conducted Extraordinary General Meetings.

**c) Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot**

No postal ballot was conducted during the FY 2019-20.

**d) Details of special resolution proposed to be conducted through postal ballot**

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot

**ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR 2019-20**

Day and Date	Monday, September 28, 2020
Time	11.00 a.m.
Venue	Meeting to be conducted through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), pursuant to the MCA Circular dated May 5, 2020 and as such there is no requirement to have a venue for the AGM. However, the purpose for which the Registered office of the company situated at Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal (M.P.) shall be deemed as the venue for the Meeting .
Financial Year	April 1, 2019 to March 31, 2020.
Book closure dates for dividend	Tuesday, September 22, 2020 to Monday, September 28, 2020 (both days inclusive)
Payment of Dividend	Between September 28, 2020 to October 27, 2020

**CALENDAR FOR FINANCIAL YEAR ENDING 2020-21:**

Annual Results of 2019-20	May 29, 2020
Mailing of Annual Reports	2nd week of September, 2020
First Quarter Results	August 14, 2020
Second Quarter results	October 30, 2020*
Third Quarter results	January 29, 2021*
Fourth Quarter results	May 10, 2021*

\* Tentative schedule, subject to change.

**Dividend**

The Board of Directors at their Meeting held on May 29, 2020, recommended dividend pay-out, subject to the approval of shareholders at the ensuing Annual General Meeting of Re. 1/- per share (10%) of face value of ₹ 10/-each, on equity shares of the Company for the Financial Year 2019-20, subject to the TDS as may be applicable. 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 Monday, September 21, 2020, after giving effect to all valid transmission in physical form lodged on or before Monday, September 21, 2020 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 27, 2020.

**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 ₹)	Amount of Unpaid/unclaimed Dividend
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	23798**
2018-19	September 17, 2019	1.00	83197**

\*Paid-up value ₹ 10/- per share

\*\*As on March 31, 2020

### 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
March 31, 2019	September 17, 2019	October 23, 2026

### Distribution of Shareholding as on March 31, 2020

S. No	Shares Range	Number of Shareholders	% of Total Shareholders	No. of Shares held	% of Total Share Capital held
1	1 to 500	59421	95.5613	4036588	2.9514
2	501 to 1000	1474	2.3705	1121146	0.8197
3	1001 to 2000	659	1.0598	954127	0.6976
4	2001 to 3000	200	0.3216	496854	0.3633
5	3001 to 4000	85	0.1367	303054	0.2216
6	4001 to 5000	65	0.1045	298630	0.2183
7	5001 to 10000	121	0.1946	862634	0.6307
8	10001 and above	156	0.2509	128696735	94.0974
	<b>TOTAL</b>	<b>62181</b>	<b>100.00</b>	<b>136769768</b>	<b>100.00</b>

### Shareholding Pattern as at March 31, 2020:

Sr. No.	Category	DEMAT Securities	DEMAT Holders	Physical Securities	Physical Holders	Total Securities	Total Value	Percent
1	Clearing Members	112413	122	0	0	112413	1124130	0.0822
2	Corporate Bodies (Promoter Co.)	3	1	0	0	3	30	0
3	Financial Institutions	93189	1	0	0	93189	931890	0.0681
4	Foreign Nationals	50	1	0	0	50	500	0

Sr. No.	Category	DEMAT Securities	DEMAT Holders	Physical Securities	Physical Holders	Total Securities	Total Value	Percent
5	Foreign Portfolio Investors (Corporate)	12786500	92	0	0	12786500	127865000	9.3489
6	Hindu Undivided Family	314174	1244	0	0	314174	3141740	0.2297
7	Mutual Funds	8545917	12	0	0	8545917	85459170	6.2484
8	NBFCs registered with RBI	20625	3	0	0	20625	206250	0.0151
9	Non Resident (Non Repatriable)	78941	362	0	0	78941	789410	0.0577
10	Non Resident Indians	321880	1023	0	0	321880	3218800	0.2353
11	Other Bodies Corporate	3146272	417	0	0	3146272	31462720	2.3004
12	Promoter - Trust	100	1	0	0	100	1000	0.0001
13	Promoters	102571262	7	0	0	102571262	1025712620	74.9956
14	Promoters - HUF	3	1	0	0	3	30	0
15	Public	8778239	58891	100	2	8778339	87783390	6.4183
16	Trusts	100	1	0	0	100	1000	0.0001
	<b>TOTAL</b>	<b>136769668</b>	<b>62179</b>	<b>100</b>	<b>2</b>	<b>136769768</b>	<b>1367697680</b>	<b>100</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, 2020.

Mode of Holding	No. of Shares	%
NSDL	126928381	92.8
CDSL	9841287	7.2
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 there on 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 standalone and consolidated financial results are announced within forty-five days of the close of the quarter. The audited standalone and consolidated 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 through BSE's BSE Listing Centre and with NSE's NEAPS.

- 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 year 2019-20, 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.

The Company has obtained the certificate from a practising Company Secretary confirming the compliance of share transfer formalities by the Company pursuant to regulation 40(9) of the SEBI (LODR) Regulations, 2015 for half year ended September 30, 2019 and March 31, 2020 respectively with the stock exchange.

All share transfer and other communication regarding share certificates, change of address, dividend etc. should be addressed to R & T agent i.e. Link Intime India Private Limited.

Pursuant to the amendment in Regulation 40 of SEBI (LODR) Regulations, 2015, vide Gazette notification dated June 8, 2018, the SEBI, 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 member's 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 member's with bank details printed there on 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.

### GDRs/ ADRs/ Warrants or any Convertible Instruments

The Company has not issued any GDRs/ADRs/ Warrants or any Convertible Instruments.

### Plant Locations

The Company does not have any manufacturing plant.

### 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's e-mail id i.e. "investor@dilipbuildcon.co.in".

### Address for correspondence:

Compliance Officer	Link Intime India Private Limited (For Equity and Listed debentures)	Unlisted debentures	Correspondence with Secretarial Department of the Company
Mr. Abhishek Shrivastava Company Secretary & Compliance Officer  Dilip Buildcon Limited  Plot No.5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal 462016, Madhya Pradesh Tel:+91 755-4029999 Fax:+91 755-4029998 e-mail: csabhishek@dilipbuildcon.co.in	Unit: Dilip Buildcon Limited Link Intime India Private Limited  C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai-400083, Maharashtra Tel No:+91 22-49186270 Fax:+91 22-49186060 e-mail: rnt.helpdesk@linkintime.co.in	Unit: Dilip Buildcon Limited M/s Alankit Assignments Limited  Alankit House, 4E/2, Jhandewalan Extension, New Delhi-110055 Tel. No. +91 11-42541959 Fax No: +91 11-42541201 Email id : b.swain@alankit.com	Dilip Buildcon Limited: Secretarial Department  Plot No. 5, Inside Govind Narayan Singh Gate, Chuna Bhatti, Kolar Road, Bhopal 462016, Madhya Pradesh  Tel:+91 755-4029999 Fax:+91 755-4029998 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 C-101, 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 Dr. 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 shareholder's 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

5 (Five) complaints were received during the year and were attended by the Company. Therefore, no complaints were pending as on March 31, 2020.

### 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 proofs 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 22, 2020 to Monday, September 28, 2020 (both day inclusive) for the purpose of 14<sup>th</sup> AGM and for payment of Dividend for the Financial Year 2019-20.

### Listing of equity shares

The equity shares of the Company are listed on BSE Limited (BSE) and 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 Annual Listing Fees for the financial year 2020-21 for the equity shares to the above Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

Further, the Company has paid the Listing Fees for the financial year 2020-21 for listed debentures to the Stock Exchange i.e BSE Limited (BSE).

### Custodian fees to depositories

The Company has paid custodian fees for the financial year 2020-21 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 securities are listed on the following Stock Exchanges as on the date of the Board's Report :

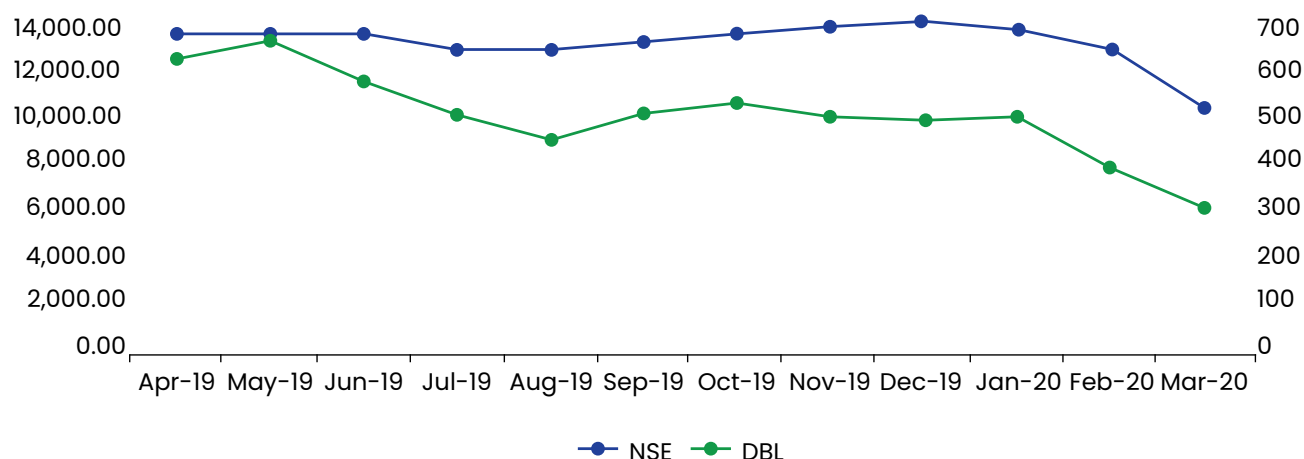
Particulars	Equity shares	Listed Debentures
BSE Limited (BSE)	Scrip Code-540047	959525
		959643
National Stock Exchange of India Limited (NSE)	Scrip Code-DBL	-
ISIN	INE917M01012	INE917M07142
		INE917M07159

## Stock Market data for the financial year 2019-20

DBL share price versus the NSE NIFTY

Month	DBL NSE Price in ₹				NSE Nifty		
	High	Low	Month close	Traded Quantity	High	Low	Close
April - 19	667.55	535.50	538.85	47,07,482	11,856.15	11,549.10	11,748.15
May - 19	632.20	446.45	579.20	85,58,824	12,041.15	11,108.30	11,922.80
June - 19	589.00	370.85	487.25	1,03,48,173	12,103.05	11,625.10	11,788.85
July - 19	510.00	396.10	410.50	68,08,889	11,981.75	10,999.40	11,118.00
August - 19	420.00	315.65	359.55	46,99,801	11,181.45	10,637.15	11,023.25
September - 19	477.00	347.45	416.30	94,12,674	11,694.85	10,670.25	11,474.45
October - 19	450.00	362.05	432.25	56,72,868	11,945.00	11,090.15	11,877.45
November - 19	474.30	377.60	409.05	64,56,762	12,158.80	11,802.65	12,056.05
December - 19	424.70	375.00	402.65	50,87,551	12,293.90	11,832.30	12,168.45
January - 20	442.00	394.60	408.85	66,11,738	12,430.50	11,929.60	11,962.10
February - 20	421.90	298.00	299.20	42,60,893	12,246.70	11,175.05	11,201.75
March - 20	335.00	190.00	211.05	69,55,001	11,433.00	7,511.10	8,597.75

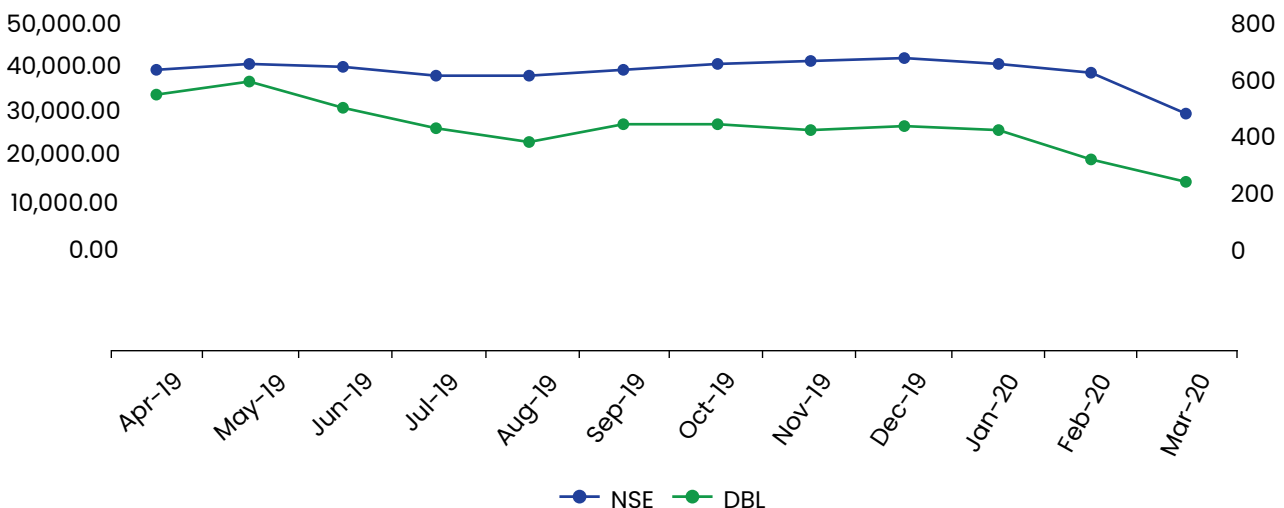
### Performance of Company's shares vis-a-vis NSE



### DBL share price versus the BSE Sensex

Month	DBL BSE Price in ₹				BSE Sensex Price in ₹		
	High	Low	Month close	Traded Quantity	High	Low	Close
April - 19	668.00	535.05	540.35	459914	39,487.45	38,460.25	39,031.55
May - 19	631.50	447.60	579.80	804807	40,124.96	36,956.10	39,714.20
June - 19	592.00	372.15	486.90	1181036	40,312.07	38,870.96	39,394.64
July - 19	509.50	395.00	410.85	734952	40,032.41	37,128.26	37,481.12
August - 19	420.00	317.00	359.70	1341219	37,807.55	36,102.35	37,332.79
September - 19	477.40	347.65	415.95	1150162	39,441.12	35,987.80	38,667.33
October - 19	449.20	359.00	432.25	540122	40,392.22	37,415.83	40,129.05
November - 19	473.80	379.80	408.60	617338	41,163.79	40,014.23	40,793.81
December - 19	424.40	375.25	402.95	469280	41,809.96	40,135.37	41,253.74
January - 20	441.50	395.35	407.75	521641	42,273.87	40,476.55	40,723.49
February - 20	422.00	298.40	299.25	360469	41,709.30	38,219.97	38,297.29
March - 20	332.30	193.40	211.00	679717	39,083.17	25,638.90	29,468.49

### Performance of Company's shares vis-a-vis BSE



Particulars	BSE	NSE
Closing share price as on March 31, 2020	₹ 211.00	₹ 211.05
Market Capitalization as on March 31, 2020	₹ 2885.84 Crores	₹ 2886.53 Crores

# FINANCIAL REPORTING

# 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 Ind AS financial statements of Dilip Buildcon Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2020, 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 Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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, 2020, 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 Ind AS 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 Ind AS 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 Ind AS 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. Emphasis of Matter

We draw your attention to Note 45 of the standalone Ind AS financial statements, as regards the management's assessment of the financial impact due to restrictions and conditions related to Covid-19 pandemic situation. Our opinion is not modified in respect of this matter.

### 4. Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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.

Sr. 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.	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.

Sr. no.	Key Audit Matter	Auditors Response
	<p>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.</p> <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 is 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>
<b>2</b>	<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>

Sr. no.	Key Audit Matter	Auditors Response
3	<p><b>Physical Inventory verification at year end</b></p> <p>Risk of material misstatement due to not being able to physically observe the stock count carried out by the management at year end.</p> <p>As a result of restrictions and lockdown situation due to Covid-19, management was able to perform physical verification of inventory at certain locations, subsequent to the year end.</p>	<p>We performed the following audit procedures:</p> <p>We were not able to physically observe the verification of inventory that was carried out by the management at a date subsequent to the year end. We have relied on the reports shared by the Internal Auditor for the locations where the physical inventory verification was conducted subsequent to the year end.</p> <p>Consequently, we have performed alternative procedures (which include reviewing the reports of cyclical counts performed by the management during the year, roll forward procedures, checking the documentation with respect to purchase, consumption and sale of inventory if any) to audit the existence of Inventory as per the guidance provided in SA-501 "Audit Evidence Specific Consideration for Selected Items" and have obtained sufficient audit evidence.</p> <p>We have also performed analytical procedures for reasonableness of the value of stock at year end.</p>

#### 5. Other Information (Information other the standalone Ind AS financial statements and Auditor's report thereon)

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 Ind AS 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.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we will not express any form of assurance/ conclusion thereon.

In connection with our audit of the standalone Ind AS 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 Ind AS 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 those charged with governance and determine the actions under the applicable laws and regulations.

#### 6. Responsibility of Management and those charged with Governance for the Standalone Ind AS Financial Statements

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 Ind AS 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.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS 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.

## **7. Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS 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 Ind AS 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.

## 8. 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:
- 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.
  - 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.
  - 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.
  - In our opinion, the aforesaid standalone Ind AS 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.
  - On the basis of written representations received from the directors of the Company as on March 31, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, 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 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 Ind AS financial statements to the extent determinable/ascertainable. – Refer Note 25 to the standalone Ind AS 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, 2020.

**For Mukund M. Chitale & Co.**

Chartered Accountants  
Firm Registration No. 106655W

**(S.M. Chitale)**

Partner  
M. No. 111383  
UDIN : 20111383AAAADW3073

Place: Mumbai  
Date: 29.05.2020

**For MSG & Associates.**

Chartered Accountants  
Firm Registration No. 010254C

**(Geeta Rajani)**

Partner  
M. No. 076889  
UDIN : 20076889AAAAAQ2061

Place: Bhopal  
Date: 29.05.2020

## 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 8 (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.
- 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 subsequent to the year end in the presence of Internal auditor of the company at few locations due to restrictions imposed amid outbreak of Covid-19. 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-one subsidiaries and interest-bearing loans to three 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-one subsidiaries are repayable on demand. In respect of three subsidiary companies where Company has charged interest, there is no stipulation of schedule for payment of principal, interest is paid as per the 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 Tax deducted at source wherein certain delays in payments were observed during the year ended March 31, 2020. 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, there are no statutory dues outstanding as at March 31, 2020 which have not been deposited on account of disputes.
- 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.
- 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 Ind AS 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.

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**For Mukund M. Chitale & Co.**

Chartered Accountants

Firm Registration No. 106655W

**(S.M. Chitale)**

Partner

M. No. 111383

UDIN : 20111383AAAADW3073

Place: Mumbai

Date: 29.05.2020

**For MSG & Associates.**

Chartered Accountants

Firm Registration No. 010254C

**(Geeta Rajani)**

Partner

M. No. 076889

UDIN : 20076889AAAAAQ2061

Place: Bhopal

Date: 29.05.2020

## 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 8 (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, 2020 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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, to the best of our information and according to the explanations given to us, the Company has, in all 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, 2020, 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.

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#### For Mukund M. Chitale & Co.

Chartered Accountants  
Firm Registration No. 106655W

#### (S.M. Chitale)

Partner  
M. No. 111383  
UDIN : 20111383AAAADW3073

Place: Mumbai  
Date: 29.05.2020

#### For MSG & Associates.

Chartered Accountants  
Firm Registration No. 010254C

#### (Geeta Rajani)

Partner  
M. No. 076889  
UDIN : 20076889AAAAAQ2061

Place: Bhopal  
Date: 29.05.2020



# Balance Sheet

as at 31<sup>st</sup> March 2020

(₹ In Lakhs)

Particulars	Note	31 March 2020	31 March 2019
<b>Assets</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	2.1	2,00,104.88	2,04,815.75
(b) Capital work in progress		430.16	-
(c) Other intangible assets	2.2	2,650.49	3,407.39
(d) Financial assets			
(i) Investments	3	1,14,443.81	52,375.64
(ii) Other financial assets	5	35,001.18	29,167.04
(e) Deferred tax assets (net)	16	1,961.50	-
(f) Other non-current asset	9	56,121.31	75,745.41
<b>Total non-current assets</b>		<b>4,10,713.33</b>	<b>3,65,511.23</b>
<b>(2) Current assets</b>			
(a) Inventories	6	2,63,086.25	2,50,375.66
(b) Financial assets			
(i) Trade receivables	7	1,23,973.91	1,40,926.25
(ii) Cash and cash equivalents	8	32,191.50	18,879.54
(iii) Loans	4	58,797.30	77,779.14
(iv) Other financial assets	5	54,506.42	44,674.00
(c) Current tax asset (net)		14,286.59	1,725.25
(d) Other current assets	9	1,44,646.58	1,63,215.65
<b>Total current assets</b>		<b>6,91,488.55</b>	<b>6,97,575.49</b>
Non current Assets held-for-sale	3	15,513.86	27,578.06
<b>Total Assets</b>		<b>11,17,715.74</b>	<b>10,90,664.78</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)	3,46,922.11	3,06,765.22
<b>Total Equity</b>		<b>3,60,599.09</b>	<b>3,20,442.20</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	11	77,272.34	1,14,597.18
(b) Provisions	14	9,567.25	8,488.44
(c) Deferred tax liabilities(net)	16	-	1,711.62
(d) Other non-current liabilities	15	96,965.83	88,021.56
<b>Total non-current liabilities</b>		<b>1,83,805.42</b>	<b>2,12,818.80</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	11	1,96,221.48	2,05,524.66
(ii) Trade payable:-	12		
(a) total outstanding dues of micro enterprises and small enterprises		4,407.74	3,511.46
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		1,59,479.56	1,71,956.57
(iii) Other financial liabilities	13	72,810.29	53,680.24
(b) Other current liabilities	15	1,23,307.01	93,935.21
(c) Provisions	14	1,571.29	1,217.58
<b>Total Current Liabilities</b>		<b>5,57,797.37</b>	<b>5,29,825.72</b>
Liabilities in respect of non current assets held for sale	15	15,513.86	27,578.06
<b>Total Liabilities</b>		<b>7,57,116.65</b>	<b>7,70,222.58</b>
<b>Total Equity and Liabilities</b>		<b>11,17,715.74</b>	<b>10,90,664.78</b>

The Notes on Account form integral part of the Financial Statements

1 to 51

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: Mumbai  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

# Statement of Profit and Loss

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

	Particulars	Notes	Year ended 31 March, 2020	Year ended 31 March, 2019
I	Revenue from operations	17	8,98,381.59	9,14,027.04
II	Other income (net)	18	3,128.96	2,433.79
<b>III</b>	<b>Total Income (I + II)</b>		<b>9,01,510.55</b>	<b>9,16,460.83</b>
<b>IV</b>	<b>Expenses</b>			
	Cost of construction	19	6,89,561.29	7,16,590.72
	Changes in inventories	20	11,754.66	(3,190.42)
	Employee benefits expense	21	19,577.89	17,735.62
	Finance costs	22	61,268.47	52,987.85
	Depreciation and amortization expense	2	42,412.12	32,018.76
	Other expenses	23	20,285.32	20,248.12
	<b>Total expenses (IV)</b>		<b>8,44,859.75</b>	<b>8,36,390.65</b>
<b>V</b>	<b>Profit before exceptional items and tax (III - IV)</b>		<b>56,650.80</b>	<b>80,070.18</b>
VI	Exceptional items		893.40	426.60
<b>VII</b>	<b>Profit before tax (V - VI)</b>		<b>57,544.20</b>	<b>80,496.78</b>
<b>VIII</b>	<b>Tax expense:</b>			
	(1) Current tax		18,133.21	12,990.24
	(2) Deferred tax - charge/(credit)	16	(3,301.53)	(8,987.53)
	(3) Income tax for earlier years		215.01	-
<b>IX</b>	<b>Profit for the year from continuing operations (VII - VIII)</b>		<b>42,497.51</b>	<b>76,494.07</b>
<b>X</b>	<b>Profit for the year</b>		<b>42,497.51</b>	<b>76,494.07</b>
<b>XI</b>	<b>Other comprehensive income</b>			
	A (i) Items that will not be reclassified to profit or loss	24	266.59	(80.82)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(93.16)	(28.24)
<b>XII</b>	<b>Total Comprehensive Income for the year (X + XI)</b>		<b>42,670.94</b>	<b>76,385.01</b>
<b>XIII</b>	<b>Earnings per equity share (for continuing operations)</b>			
	(1) Basic	27	31.07	55.93
	(2) Diluted	27	31.07	55.93

The Notes on Account form integral part of the Financial Statements

1 to 51

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  
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**(Radhey Shyam Garg)**

Chief Financial Officer

**(Abhishek Shrivastava)**

Company Secretary

Place: Mumbai  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

## Cash Flow Statement

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before Tax as per Statement of Profit and Loss</b>	<b>57,544.20</b>	<b>80,496.78</b>
Adjustments for:		
Depreciation	42,412.12	32,018.76
Interest income	(3,091.17)	(2,373.51)
Finance Income due to Unwinding of security deposit	(37.80)	(42.59)
(Profit)/Loss on Sale of Fixed Assets	109.71	(11.36)
Interest Expense	61,268.47	52,987.85
Provision for Doubtful Debts	3,500.00	11,000.00
Remeasurements gains / ( losses) on post-employment benefits	266.59	(80.82)
Exceptional items - (Profit)/Loss on Sale of Subsidiary companies	(893.40)	(426.60)
<b>Operating Profit Before Working Capital changes</b>	<b>1,61,078.72</b>	<b>1,73,568.51</b>
Working Capital Changes:		
(Increase)/Decrease in Current and Non-Current Assets	30,841.13	(1,71,690.84)
Increase/(Decrease) in Current and Non-Current Liabilities	11,440.16	86,886.03
Increase/(Decrease) in Provisions	1,432.52	2,389.98
<b>Cash generated from operations</b>	<b>2,04,792.53</b>	<b>91,153.68</b>
Income tax paid	(19,500.50)	(16,035.81)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES (TOTAL A)</b>	<b>1,85,292.03</b>	<b>75,117.87</b>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES:</b>		
Purchase of Fixed Assets	(30,858.68)	(57,111.96)
Sale of Fixed Assets	220.61	73.59
Expenditure on Capital work in progress	(430.16)	-
Purchase of Investments	(70,038.92)	(29,078.87)
Sale of Investments	20,928.36	2,459.71
Interest Received	3,091.17	2,373.51
<b>NET CASH USED IN INVESTING ACTIVITIES (TOTAL B)</b>	<b>(77,087.62)</b>	<b>(81,284.02)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
(Repayment) / Proceeds of / from Long Term Borrowings (net)	(37,324.84)	10,328.00
(Repayment) / Proceeds of / from Short Term Borrowings (net)	(9,303.18)	32,729.82

(₹ In Lakhs)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
(Repayment) / Proceeds of / from Current Maturities of Long Term Borrowings (net)	14,615.07	20,452.14
Interest paid	(61,268.47)	(52,987.85)
Finance Income due to Unwinding of security deposit	37.80	42.59
Dividend Paid	(1,648.83)	(1,648.83)
<b>NET CASH USED IN FINANCING ACTIVITIES: (TOTAL C)</b>	<b>(94,892.45)</b>	<b>8,915.87</b>
<b>Net Increase/(Decrease) of Cash &amp; Cash Equivalents (A+B+C)</b>	<b>13,311.96</b>	<b>2,749.72</b>
<b>Add: Cash &amp; Cash Equivalents at the beginning of the year</b>	<b>18,879.54</b>	<b>16,129.82</b>
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>32,191.50</b>	<b>18,879.54</b>

**Closing Cash and Cash Equivalents**

Cash in Hand	684.82	252.98
Bank Balance with Scheduled Banks		
in Current Account	5,140.23	1,691.95
in Fixed Deposit Account	26,366.46	16,934.61
	<b>32,191.50</b>	<b>18,879.54</b>

- The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard 7 - Statement of Cash Flow.
- Figures in bracket indicate cash outflow

The Notes on Account form integral part of the Financial Statements 1 to 51

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: Mumbai  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

## Statement of changes in equity

for the year ended 31<sup>st</sup> March 2020

### A. Equity share capital

(₹ In Lakhs)

Particulars	Note	Amount (₹)
<b>Balance as on 1 April 2018</b>		<b>13,676.98</b>
Changes in equity share capital during the year 2018-19	10(b)	-
<b>Balance as on 31 March 2019</b>		<b>13,676.98</b>
Balance as on 1 April 2019		13,676.98
Changes in equity share capital during the year 2019-20	10(b)	-
<b>Balance as on 31 March 2020</b>		<b>13,676.98</b>

### B. Other equity

(₹ In Lakhs)

Particulars	Reserves and Surplus			Total
	Securities Premium	Retained Earnings	Debenture Redemption Reserve	
<b>Balance as on 31 March 2018</b>	<b>42,294.46</b>	<b>1,74,734.58</b>	<b>15,000.00</b>	<b>2,32,029.04</b>
Profit or (loss)	-	76,494.07	-	76,494.07
Other comprehensive income (net of tax)	-	(109.06)	-	(109.06)
Dividends	-	(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>2,49,470.76</b>	<b>15,000.00</b>	<b>3,06,765.22</b>
Profit or (loss) during the year	-	42,497.51	-	42,497.51
Other comprehensive income (net of tax)	-	173.43	-	173.43
Dividend	-	(1,367.70)	-	(1,367.70)
Tax on dividend	-	(281.13)	-	(281.13)
Impact of Ind AS 116	-	(865.22)	-	(865.22)
<b>Balance as on 31 March 2020</b>	<b>42,294.46</b>	<b>2,89,627.65</b>	<b>15,000.00</b>	<b>3,46,922.11</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

**For & on behalf of the Board**

**(Dilip Suryavanshi)**  
Managing Director  
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Place: Mumbai  
Dated: 29.05.2020

Place: Bhopal  
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Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

## 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 31 March 2020 were approved for issue in accordance with the resolution of the Board of Directors on 29 May 2020.

### 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 2020

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.

### 1.6 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

## 1.7 Property, plant and equipment and Depreciation

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.

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).

## 1.8 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 Subsidiaries, Associates and Joint ventures

Investments in Subsidiaries, Associates and Joint Ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

## 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.



# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

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.

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.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

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.

## 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

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

### 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.

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 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

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

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.

## 1.17 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

## 1.18 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.

## 1.19 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

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

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.

### 1.20 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.

#### Appendix C to Ind AS 12 Uncertainty over Income Tax Treatments:

The interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

The Company has determined whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty has been followed. In determining the approach that better predicts the resolution of the uncertainty, the Company considers, for example, (a) how it prepares its income tax filings and supports tax treatments; or (b) how the Company expects the taxation authority to make its examination and resolve issues that might arise from that examination.

The amendment is effective from April 1, 2019. The Company has evaluated the effect of Ind AS 12 amendment on the financial statements and concluded that there is no material impact on the retained earnings and on its profit for the year ended March 31, 2020

## 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.

## 1.21 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.

## 1.22 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

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

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.

### Note 2.1: Property, Plant and Equipment

Year ended 31 March 2020

(₹ In Lakhs)

Sr. no	Description of Assets	GROSS BLOCK				DEPRECIATION				WRITTEN DOWN VALUE	
		As at 01/04/2019	Additions	Deductions	As at 31/03/2020	As at 01/04/2019	For the year	Deductions	As at 31/03/2020	As at 31/03/2020	As at 31/03/2019
1	Land	10,027.13	583.68	-	10,610.81	-	-	-	-	10,610.81	10,027.13
2	Residential Flat	16.59	-	-	16.59	1.45	0.28	-	1.73	14.87	15.14
3	Computer & Printer	1,731.44	426.98	-	2,158.42	1,159.99	400.52	-	1,560.51	597.91	571.45
4	Plant & Machinery	3,15,508.33	25,508.68	1,934.56	3,39,082.45	1,28,748.77	35,180.02	1,606.39	1,62,322.40	1,76,760.04	1,86,759.56
5	Office Equipments	4,632.96	3,156.51	3.15	7,786.32	1,103.30	1,315.96	2.46	2,416.80	5,369.52	3,529.66
6	Vehicles	4,233.80	575.58	16.51	4,792.67	1,703.86	520.03	15.05	2,208.84	2,583.83	2,529.74
7	Furniture & Fixtures	1,243.05	602.08	-	1,845.13	275.09	182.79	-	457.88	1,387.25	967.97
8	Vessel	449.50	-	-	449.50	34.40	15.90	-	50.30	399.20	415.10
9	Right-of-use Assets	15,722.10			15,722.10	9,306.11	4,034.54		13,340.65	2,381.45	-
		<b>3,53,564.70</b>	<b>30,853.51</b>	<b>1,954.22</b>	<b>3,82,463.99</b>	<b>1,42,332.97</b>	<b>41,650.04</b>	<b>1,623.90</b>	<b>1,82,359.11</b>	<b>2,00,104.88</b>	<b>2,04,815.75</b>
	Previous Year	2,84,259.04	53,855.24	271.68	3,37,842.60	1,01,359.28	31,877.01	209.44	1,33,026.85	2,04,815.75	

\* 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

Year ended 31 March 2020

(₹ In Lakhs)

Sr. no	Description of Assets	GROSS BLOCK				DEPRECIATION				WRITTEN DOWN VALUE	
		As at 01/04/2019	Additions	Deductions	As at 31/03/2020	As at 01/04/2019	For the year	Deductions	As at 31/03/2020	As at 31/03/2020	As at 31/03/2019
1	Computer Software	3,977.48	5.17	-	3,982.65	570.09	762.07	-	1,332.16	2,650.49	3,407.39
		<b>3,977.48</b>	<b>5.17</b>	<b>-</b>	<b>3,982.65</b>	<b>570.09</b>	<b>762.07</b>	<b>-</b>	<b>1,332.16</b>	<b>2,650.49</b>	<b>3,407.39</b>
	Previous Year	720.75	3,256.73	-	3,977.48	428.33	141.76	-	570.09	3,407.39	

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### Note 3: Investments

(₹ In Lakhs)

Particulars	31 March 2020		31 March 2019	
	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
2 Jalpa Devi Tollways Limited	21,32,231	11,220.01	21,32,230	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	1,19,834	1,603.04	1,19,834	1,603.04
5 DBL Mundargi Harapanahalli Tollways Limited	1,05,661	1,379.00	1,05,661	1,379.00
6 DBL Lucknow Sultanpur Highways Limited	10,70,802	3,628.65	20,99,611	7,115.00
7 DBL Tuljapur Ausa Highways Limited	73,282	1,631.70	70,380	1,532.75
8 DBL Kalmath Zarap Highways Limited	25,500	2.55	50,000	5.00
9 DBL Chandikhole Bhadrak Highways Private Limited	3,95,331	6,109.00	3,95,331	6,109.00
10 DBL Mahagaon Yavatmal Highways Private Limited	74,360	2,290.11	1,09,712	960.03
11 DBL Yavatmal Wardha Highways Private Limited	51,000	5.10	1,00,000	10.00
12 DBL Wardha Butibori Highways Private Limited	1,04,671	2,194.59	1,00,000	10.00
13 DBL VPR Mining Private Limited	7,400	0.74	7,400	0.74
14 DBL Anandapuram Anakapally High Private Limited	3,99,800	11,010.06	3,99,800	11,010.06
15 DBL Bangalore Nigagatta High Private Limited	3,24,305	21,900.05	50,000	5.00
16 DBL Borgaon Watambare Highway Private Limited	2,25,956	4,931.01	50,000	5.00
17 DBL Byrapura Challakere High.Private Limited	7,30,062	4,060.01	7,30,062	4,060.01
18 DBL Gorhar Khairatunda High Private Limited	7,08,149	3,688.00	50,000	5.00
19 DBL Mangalwedha Solapur Hihg. Private Limited	1,91,874	5,431.01	50,000	5.00
20 DBL Manglore Highways Private Limited	3,57,482	3,288.02	50,000	5.00
21 DBL Nidagatta Mysore Highways Private Limited	1,82,655	11,418.40	50,000	5.00
22 DBL Rewa Sidhi Highways Private Limited	1,59,611	4,530.01	1,59,611	4,530.01
23 DBL Sangli Borgaon Highways Private Limited	1,60,923	5,261.04	50,000	5.00
24 DBL Bellary Byrapura Highways Private Limited	7,50,564	5,464.00	50,000	5.00



## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Particulars		31 March 2020		31 March 2019	
		No. of Shares	Amount	No. of Shares	Amount
25	DBL Pachwara Coal Mine Private Limited	7,400	0.74	7,400	0.74
26	Bhavya Infra & Systems Private Limited	2,95,949	63.30	2,95,949	63.30
27	Jalpa Devi Engineering Private Limited	50,000	5.00	50,000	5.00
28	Deevin Sismic Systems Private Limited	15,950	775.00	-	-
	<b>Total</b>	<b>88,07,979</b>	<b>1,13,698.79</b>	<b>74,42,776</b>	<b>51,630.62</b>
<b>Equity shares of associate company at cost</b>					
1	DBL Nadiad Modasa Tollways Limited	74,50,300	745.02	74,50,300	745.02
	<b>Total</b>	<b>74,50,300</b>	<b>745.02</b>	<b>74,50,300</b>	<b>745.02</b>
	<b>Total (a+b)</b>	<b>1,62,58,279</b>	<b>1,14,443.81</b>	<b>1,48,93,076</b>	<b>52,375.64</b>
<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	51,632	1,788.61	51,632	1,788.61
3	DBL Betul Sarni Tollways Limited	16,60,800	8,059.00	16,60,800	8,059.00
4	DBL Tikamgarh Nowgaon Tollways Limited	-	-	8,48,462	2,600.00
5	Suryavanshi Infrastructure Private Limited	-	-	64,232	479.00
6	Jalpa Devi Tollways Limited	-	-	20,48,614	10,780.00
7	DBL Kalmath Zarap Highways Limited	24,500	2.45		
8	DBL Mahagaon Yavatmal Highways Private Limited	71,442	2,200.24		
9	DBL Wardha Butibori Highways Private Limited	1,00,566	2,108.52		
	<b>Total</b>	<b>19,88,696</b>	<b>15,513.86</b>	<b>47,53,496</b>	<b>25,061.64</b>
<b>(b) Equity shares of associate companies at cost</b>					
1	DBL Ashoknagar-Vidisha Tollways Limited	-	-	59,88,100	598.81
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>59,88,100</b>	<b>598.81</b>
<b>(c) Equity shares of Other companies at cost</b>					
1	DBL Bankhlaftata Dongawa Tollways Limited	-	-	24,00,000	240.00
2	DBL Jaora Sailana Tollways Limited	-	-	30,00,000	300.00
3	DBL Mundi Sanawad Tollways Limited	-	-	1,50,000	315.68

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Particulars	31 March 2020		31 March 2019	
	No. of Shares	Amount	No. of Shares	Amount
4 DBL Sardarpur Badnawar Tollways Limited	-	-	37,500	150.00
5 DBL Silwani Sultanganj Tollways Limited	-	-	1,50,000	315.68
6 DBL Sitamau Suwasara Tollways Limited	-	-	11,62,500	116.25
7 DBL Uchera Nagod Tollways Limited	-	-	48,00,000	480.00
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,17,00,000</b>	<b>1,917.61</b>
<b>Total (a+b+c)</b>	<b>19,88,696</b>	<b>15,513.86</b>	<b>2,24,41,596</b>	<b>27,578.06</b>
<b>Total</b>	<b>1,82,46,975</b>	<b>1,29,957.67</b>	<b>3,73,34,672</b>	<b>79,953.70</b>
<b>Total Non-current</b>		<b>1,29,957.67</b>		<b>79,953.70</b>
<b>Total Current</b>		-		-
<b>Aggregate amount of unquoted investments</b>		<b>1,29,957.67</b>		<b>79,953.70</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 - Subsidiary Companies**

Name of the Company	% of Shares pledged
Companies at Sr. No. 2,3,4,5,6,7,8,10,11,12	100%
Companies at Sr. No. 19	66%
Companies at Sr. No. 16	61%
Companies at Sr. No. 9,14,15,17,18,20,21,23,24	51%
Company at Sr. No. 22	30%

**ii) Non-Current Investments - Associate Companies**

Name of the Company	% of Shares pledged
Companies at Sr. No. 1	58%

**iii) Non-Current Assets held for Sale - Subsidiary Companies**

Name of the Company	% of Shares pledged
Companies at Sr. No. 1 & 2	100%
Company at Sr. No. 3	70%

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

c) Disclosure pursuant to Ind AS 27 'Separate Financial Statements'

Sr. No.	Name of the Investee Companies	Principal Place of Business	Proportion of Ownership Interest
	<b>Subsidiaries</b>		
1	Jalpa Devi Tollways Limited	India	51.00%
2	DBL Hassan Periyapatna Tollways Limited	India	100.00%
3	DBL Hirekerur Ranibennur Tollways Limited	India	100.00%
4	DBL Mundargi Harapanahalli Tollways Limited	India	100.00%
5	DBL Lucknow Sultanpur Highways Limited	India	51.00%
6	DBL Tuljapur Ausa Highways Limited	India	51.00%
7	DBL Kalmath Zarap Highways Limited	India	100.00%
8	DBL Chandikhole Bhadrak Highways Private Limited	India	100.00%
9	DBL Mahagaon Yavatmal Highways Private Limited	India	100.00%
10	DBL Yavatmal Wardha Highways Private Limited	India	51.00%
11	DBL Wardha Butibori Highways Private Limited	India	100.00%
12	DBL VPR Mining Private Limited	India	74.00%
13	DBL Anandapuram Anakapally High Private Limited	India	100.00%
14	DBL Bangalore Nigagatta High Private Limited	India	100.00%
15	DBL Borgaon Watambare Highway Private Limited	India	100.00%
16	DBL Byrapura Challakere High.Private Limited	India	100.00%
17	DBL Gorhar Khairatunda High Private Limited	India	100.00%
18	DBL Mangalwedha Solapur Hihg. Private Limited	India	100.00%
19	DBL Manglore Highways Private Limited	India	100.00%
20	DBL Nidagatta Mysore Highways Private Limited	India	100.00%
21	DBL Rewa Sidhi Highways Private Limited	India	100.00%
22	DBL Sangli Borgaon Highways Private Limited	India	100.00%
23	DBL Bellary Byrapura Highways Private Limited	India	100.00%
24	DBL Pachwara Coal Mine Private Limited	India	74.00%
25	Bhavya Infra & Systems Private Limited	India	100.00%
26	Jalpa Devi Engineering Private Limited	India	100.00%
27	Deevin Sesmic Systems Private Limited	India	100.00%
28	DBL Hata Dargawon Tollways Limited	India	100.00%
29	DBL Patan Rehli Tollways Limited	India	51.10%

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

Sr. No.	Name of the Investee Companies	Principal Place of Business	Proportion of Ownership Interest
30	DBL Betul Sarni Tollways Limited	India	100.00%
	<b>Associate</b>		
1	DBL Nadiad Modasa Tollways Limited	India	26.00%

### Note 4: Loans

(₹ In Lakhs)

Particulars	31 March 2020	31 March 2019
<b>Current</b>		
<b>(i) Loans to Subsidiaries</b>		
(a) Loans Receivables considered good - Secured	-	-
(b) Loans Receivables considered good - Unsecured	56,743.86	75,330.80
(c) Loans Receivables which have significant risk in Credit Risk	-	-
(d) Loans Receivables - credit impaired	-	-
	<b>56,743.86</b>	<b>75,330.80</b>
<b>(ii) Loans to Associates and Jointly controlled entities</b>		
(a) Loans Receivables considered good - Secured	-	-
(b) Loans Receivables considered good - Unsecured	29.53	1.10
(c) Loans Receivables which have significant risk in Credit Risk	-	-
(d) Loans Receivables - credit impaired	-	-
	<b>29.53</b>	<b>1.10</b>
<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	-	-
	<b>-</b>	<b>54.10</b>
<b>(iv) Loans to Others</b>		
(a) Loans Receivables considered good - Secured	-	-
(b) Loans Receivables considered good - Unsecured	2,023.91	2,393.14
(c) Loans Receivables which have significant risk in Credit Risk	-	-
(d) Loans Receivables - credit impaired	-	-
	<b>2,023.91</b>	<b>2,393.14</b>
<b>Total</b>	<b>58,797.30</b>	<b>77,779.14</b>

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

- 4.1** The company has given interest free loan to its related parties based on the exemption given under section 186(11) of the Companies Act 2013, except for companies appearing in serial number 8, 9 and 27 in the below table where the company has charged interest on loans given, since these companies do not fall under the exemption category mentioned under section 186(11) of the Companies Act 2013. The company has also charged interest on loans given to 'Other' as mentioned in the below table sub-point (b)
- 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

### (a) Subsidiaries

(₹ in Lakhs)

Sr. No.	Particulars	Outstanding Balance	
		31 March 2020	31 March 2019
1	Jalpa Devi Tollways Limited	-	601.80
2	DBL Hassan Periyapatna Tollways Ltd	1,902.07	2,387.70
3	DBL Hirekerur Ranibennur Tollways Ltd	2,742.22	2,629.19
4	DBL Mundargi Harapanahalli Tollways Ltd	1,663.75	2,672.94
5	DBL Lucknow Sultanpur Highways Ltd	-	17,418.32
6	DBL Tuljapur Ausa Highways Ltd	-	790.31
7	DBL Kalmath Zarap Highways Ltd	7,950.15	5,609.61
8	Bhavya Infra & Systems Private Limited	844.41	586.80
9	Jalpa Devi Engineering Private Limited	9,373.99	5,422.98
10	DBL Mahagaon Yavatmal Highways Private Ltd	4,524.94	6,122.00
11	DBL Yavatmal Wardha Highways Private Ltd	223.47	9,476.40
12	DBL Wardha Butibori Highways Private Ltd	4,530.34	8,346.88
13	DBL VPR Mining Private Ltd	0.11	50.11
14	DBL Bangalore Nidagatta Highways Private Limited	1,073.76	1,016.25
15	DBL Anandapuram Anakapalli Highways Private Limited	2,231.07	2,231.07
16	DBL Gorhar Khairatunda Highways Private Limited	1,329.90	342.73
17	DBL Chandikhole Bhadrak Highways Private Limited	1,996.17	1,347.29
18	DBL Nidagatta Mysore Highways Private Limited	1,043.48	1,043.26
19	DBL Rewa Sidhi Highways Private Limited	4,530.06	4,530.02
20	DBL Byrapura Challakere Highways Private Limited	1,536.99	821.98
21	DBL Mangloor Highways Private Limited	3,286.95	782.11
22	DBL Sangli Borgaon Highways Private Limited	651.09	216.20

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ in Lakhs)

Sr. No.	Particulars	Outstanding Balance	
		31 March 2020	31 March 2019
23	DBL Borgaon Watambare Highways Private Limited	2,372.78	216.18
24	DBL Mangalwedha Solapur Highways Private Limited	797.36	247.72
25	DBL Bellary Byrapura Highways Private Limited	436.53	381.52
26	DBL Pachwara Coal Mines Private Limited	62.75	39.43
27	Deevin Sesmic Systems Private Limited	1,639.52	-
	<b>Total</b>	<b>56,743.86</b>	<b>75,330.80</b>

(₹ in Lakhs)

Sr. No.	Particulars	Maximum balance outstanding during the year	
		Year ended 31 March 2020	Year ended 31 March 2019
1	Jalpa Devi Tollways Limited	609.79	7,451.90
2	DBL Hassan Periyapatna Tollways Ltd	2,529.95	2,387.70
3	DBL Hirekerur Ranibennur Tollways Ltd	3,217.22	2,629.19
4	DBL Mundargi Harapanahalli Tollways Ltd	3,102.97	2,672.94
5	DBL Lucknow Sultanpur Highways Ltd	18,183.97	17,442.15
6	DBL Tuljapur Ausa Highways Ltd	1,528.76	2,070.51
7	DBL Kalmath Zarap Highways Ltd	8,350.15	5,609.96
8	Bhavya Infra & Systems Private Limited	857.86	715.73
9	Jalpa Devi Engineering Private Limited	9,373.99	5,422.98
10	DBL Mahagaon Yavatmal Highways Private Ltd	6,135.15	6,385.57
11	DBL Yavatmal Wardha Highways Private Ltd	9,551.76	9,476.43
12	DBL Wardha Butibori Highways Private Ltd	8,385.88	8,347.30
13	DBL VPR Mining Private Ltd	50.11	50.11
14	DBL Bangalore Nidagatta Highways Private Limited	1,363.61	1,016.27
15	DBL Anandapuram Anakapalli Highways Private Limited	2,301.07	2,231.07
16	DBL Gorhar Khairatunda Highways Private Limited	1,353.48	342.74
17	DBL Chandikhole Bhadrak Highways Private Limited	2,078.06	1,347.29
18	DBL Nidagatta Mysore Highways Private Limited	1,403.94	1,043.25
19	DBL Rewa SidhiHighways Private Limited	4,735.08	4,531.16
20	DBL Byrapura Challakere Highways Private Limited	1,536.98	821.98
21	DBL Mangloor Highways Private Limited	3,645.60	782.12

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ in Lakhs)

Sr. No.	Particulars	Maximum balance outstanding during the year	
		Year ended 31 March 2020	Year ended 31 March 2019
22	DBL Sangli Borgaon Highways Private Limited	717.08	216.23
23	DBL Borgaon Watambare Highways Private Limited	2,372.78	216.51
24	DBL Mangalwedha Solapur Highways Private Limited	836.79	248.04
25	DBL Berllary Byrapura Highways Private Limited	436.53	381.58
26	DBL Pachwara Coal Mines Private Limited	62.75	39.43
27	Deevin Sismic Systems Private Limited	1,639.52	-
	<b>Total</b>	<b>96,360.83</b>	<b>83,880.14</b>

### (b) Others

(₹ in Lakhs)

Sr. No.	Particulars	Outstanding Balance	
		31 March 2020	31 March 2019
1	Dilip Mass Communication Pvt Ltd	86.51	86.51
2	Aarneel Technocrafts Pvt Ltd	1,937.41	2,306.62
	<b>Total</b>	<b>2,023.92</b>	<b>2,393.13</b>

### Note 5: Other Financial Assets

(₹ In Lakhs)

Particulars		31 March 2020	31 March 2019
	<b>Non-Current</b>		
	<b>Unsecured, considered good</b>		
(a)	Security deposits*	22,349.85	21,297.87
(b)	Bank Deposits with more than 12 Months maturity (Note 8)	12,651.33	7,869.17
	<b>Total Non-current</b>	<b>35,001.18</b>	<b>29,167.04</b>
	<b>Current</b>		
(a)	Advance Recoverable in cash or kind	131.23	197.45
(b)	Unbilled Revenue	54,375.19	44,476.55
	<b>Total current</b>	<b>54,506.42</b>	<b>44,674.00</b>
	<b>Total</b>	<b>89,507.60</b>	<b>73,841.04</b>

\* Includes ₹ 450.00/- lakhs (P.Y. - ₹ 6676.14/- lakhs) receivable from related parties

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### Note 6: Inventories

(₹ In Lakhs)

Particulars		31 March 2020	31 March 2019
(a)	Inventory	2,57,967.31	2,33,502.06
(b)	Work In Progress	5,118.94	16,873.60
	<b>Total</b>	<b>2,63,086.25</b>	<b>2,50,375.66</b>

### Note 7: Trade Receivables

(₹ In Lakhs)

Particulars		31 March 2020	31 March 2019
<b>Current</b>			
(a)	Trade Receivables considered good - Secured	-	-
(b)	Trade Receivables considered good - Unsecured*	1,23,973.91	1,40,926.25
(c)	Trade Receivables which have significant risk in Credit Risk	-	-
(d)	Trade Receivables - credit impaired	27,750.00	24,250.00
		<b>1,51,723.91</b>	<b>1,65,176.25</b>
	Less: Allowance for Doubtful debt	27,750.00	24,250.00
	<b>Total</b>	<b>1,23,973.91</b>	<b>1,40,926.25</b>

\* Includes ₹ 69,043.29/- lakhs (P.Y. - ₹ 71,752.35/- 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 2020	31 March 2019
Balance at the beginning of the year	24,250.00	13,250.00
Add: Provision made during the year	3,500.00	11,000.00
<b>Balance at the end of the year</b>	<b>27,750.00</b>	<b>24,250.00</b>

### Note 8: Cash And Cash Equivalents

(₹ In Lakhs)

Particulars		31 March 2020	31 March 2019
(a)	Cash on hand	684.82	252.98
(b)	Balances with bank		
(i)	Current accounts	5,140.23	1,691.95
(ii)	Fixed deposit accounts*	39,017.79	24,803.78
		<b>44,842.83</b>	<b>26,748.71</b>
	Less: Fixed Deposits having maturity more than a year shown under Other Financial Assets (Refer Note 5)	12,651.33	7,869.17
	<b>Total</b>	<b>32,191.50</b>	<b>18,879.54</b>

8.1 \* Includes Fixed Deposits of ₹ 35,318.40/- lakhs (P.Y. - ₹ 21,379.82/- lakhs) which have been kept as margin money for Bank Guarantee/Letter of Credit availed from bank and ₹ 1,479.46/- lakhs (P.Y. - ₹ 1,395.79/- 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 2020

### Note 9: Other Assets

		(₹ In Lakhs)	
Particulars		31 March 2020	31 March 2019
	<b>Non-current</b>		
	<b>Unsecured, considered good</b>		
(a)	Capital advances	3,520.86	10,597.24
(b)	Advances other than capital advances		
(i)	Other Advances*	1,658.80	2,747.91
(ii)	Retention Money, Withheld Money, Security & Other Deposits#	81,967.33	91,041.59
	Less : Current portion	66,351.45	74,221.23
		<b>15,615.88</b>	<b>16,820.36</b>
(c)	MAT Credit Entitlement	35,325.77	45,579.90
	<b>Total Non-current</b>	<b>56,121.31</b>	<b>75,745.41</b>
	<b>Current</b>		
(a)	Retention Money, Withheld Money, Security & Other Deposits	66,351.45	74,221.23
(b)	Advance to Suppliers/ Creditors **	51,223.50	62,296.33
(c)	Other Advances	-	625.00
(d)	Deposit with Govt Authorities	21,581.21	23,101.92

		(₹ In Lakhs)	
Particulars		31 March 2020	31 March 2019
(e)	Staff Advance	725.79	1,096.99
(f)	Prepaid Expenses	4,764.63	1,874.18
	<b>Total Current</b>	<b>1,44,646.58</b>	<b>1,63,215.65</b>
	<b>Total</b>	<b>2,00,767.89</b>	<b>2,38,961.06</b>

\* Includes ₹ 509.32/- lakhs (P.Y. - ₹ 1,040.51/- lakhs) receivable from related parties.

# Includes ₹ 13,091.63/- lakhs (P.Y. - ₹ 17,359.24/- lakhs) receivable from related parties.

\*\* Includes ₹ 569.56/- lakhs (P.Y. - Nil) receivable from related parties.

### Note 10(a): Equity Share Capital

		(₹ In Lakhs)	
Particulars		31 March 2020	31 March 2019
	<b>Authorised share capital</b>		
	16,00,00,000 Equity Shares of ₹10 each	16,000.00	16,000.00
	(P.Y. 16,00,00,000 Equity Shares of ₹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 ₹10 each	13,676.98	13,676.98
	(P.Y. 13,67,69,768 Equity Shares of ₹10/- each)		
		<b>13,676.98</b>	<b>13,676.98</b>

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### A) Terms/rights attached to equity shares

- i. The Company has one class of shares referred to as Equity Shares having face values of ₹ 10/- each.
- ii. 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:

(₹ In Lakhs)

Particulars	31 March 2020		31 March 2019	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the period	13,67,69,768	13,676.98	13,67,69,768	13,676.98
Add: Fresh Issue			-	-
Outstanding at the end of the period	13,67,69,768	13,676.98	13,67,69,768	13,676.98

### C) Details of shareholders holding more than 5% shares in the Company

Particulars	31 March 2020		31 March 2019	
	No. of shares	% of holding	No. of shares	% of holding
<b>Equity shares of ₹ 10/- each fully paid</b>				
Mr. Dilip Suryavanshi	5,51,07,987	40.29%	5,56,73,487	40.71%
Mrs. Seema Suryavanshi	1,19,04,200	8.70%	1,19,04,200	8.70%
Mr. Devendra Jain	3,55,59,072	26.00%	3,58,63,572	26.22%

### Note 10(b): Other Equity

#### i. Securities Premium

(₹ In Lakhs)

Particulars	31 March 2020	31 March 2019
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>

#### ii. Retained Earnings

Particulars	31 March 2020	31 March 2019
Balance at the beginning of the year	2,49,470.77	1,74,734.58
- Profit for the year	42,497.51	76,494.07
- Other comprehensive income (net of tax)	173.43	(109.06)
- Dividend paid and tax on same	(1,648.83)	(1,648.83)
- Impact of Ind AS 116	(865.23)	-
<b>Balance at the end of the year</b>	<b>2,89,627.65</b>	<b>2,49,470.76</b>

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### iii. Debenture Redemption Reserve

Particulars	31 March 2020	31 March 2019
Balance at the beginning of the year	15,000.00	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>3,46,922.11</b>	<b>3,06,765.22</b>

### Note 11: Borrowings

(₹ In Lakhs)		
Particulars	31 March 2020	31 March 2019
<b>Non-current</b>		
<b>(a) Secured</b>		
<b>Debentures</b>		
8.90% 5100 Non Convertible Debentures of ₹10 Lacs each	51,000.00	60,000.00
	<b>51,000.00</b>	<b>60,000.00</b>
<b>Term loans</b>		
From Banks	32,577.95	33,500.67
From Financial Institutions	45,822.45	58,609.50
	<b>78,400.40</b>	<b>92,110.17</b>
Less: Current maturities of non-current borrowings disclosed under the head 'Other financial liabilities - Current' (Refer Note 13)	52,128.06	37,512.99
	<b>26,272.34</b>	<b>54,597.18</b>

(₹ In Lakhs)

Particulars	31 March 2020	31 March 2019
<b>Non-current borrowings</b>	<b>77,272.34</b>	<b>1,14,597.18</b>
<b>Current</b>		
<b>(a) Secured</b>		
<b>Loans Payable on Demand</b>		
From Banks	1,96,197.42	2,02,970.39
<b>(b) Unsecured</b>		
From Related Parties	24.06	2,554.27
<b>Current borrowings</b>	<b>1,96,221.48</b>	<b>2,05,524.66</b>
<b>Total borrowings</b>	<b>2,73,493.82</b>	<b>3,20,121.84</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:

- i. 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.
- ii. 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.
- iii. The details of redemption is as follows:

Series- III:450 NCDs of ₹ 10,00,000 each redeemable on 28-Jun-2020  
Series -IV:450 NCDs of ₹10,00,000 each redeemable on 28-Sep-2020

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

Series -V: 450 NCDs of ₹. 10,00,000 each redeemable on 28-Dec-2020  
 Series -VI: 450 NCDs of ₹ 10,00,000 each redeemable on 28-Mar-2021  
 Series -VII: 450 NCDs of ₹ 10,00,000 each redeemable on 28-Jun-2021  
 Series -VIII: 450 NCDs of ₹ 10,00,000 each redeemable on 28-Sep-2021  
 Series -XI: 450 NCDs of ₹ 10,00,000 each redeemable on 28-Dec-2021  
 Series -X: 450 NCDs of ₹ 10,00,000 each redeemable on 28-Mar-2022  
 Series -XI :500 NCDs of ₹ 10,00,000 each redeemable on 28-Jun-2022  
 Series- XII: 500 NCDs of ₹ 10,00,000 each redeemable on 28-Sep-2022  
 Series -XII: 500 NCDs of ₹ 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 ₹ 21,750.70/- lakhs (P.Y. - ₹ 21,419.06/- 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/construction equipments.

- **The securities provided for the Term loan from Banks amounting to ₹ 8,964.70/- lakhs (P.Y. - ₹ 8,673.76/- 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 of the Company and Mr. Devendra Jain, the CEO of the Company; till the tenancy of loan.
- ii. Exclusive charge by way of hypothecation of the respective vehicles/construction equipments.

- **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 ₹ Nil (P.Y. - ₹ 826.95/- 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 of the Company, till the tenancy of loan.
- ii. Exclusive charge by way of hypothecation of the respective vehicles/construction equipments.

- **The securities provided for the Term loan from Banks amounting to ₹ 1,862.55/- lakhs (P.Y. - ₹ 2,521.13/- lakhs) is as follows:**

- i. Exclusive charge by way of hypothecation of the respective vehicles/construction equipments.

- **The securities provided for the Term loan for Working Capital from Banks amounting to ₹ Nil (P.Y. - ₹ 59.78/- lakhs) is as follows:**

- i. 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 ₹ 41,124.75/- lakhs (P.Y. - ₹ 48,549.94/- 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/construction equipments.

- **The securities provided for the Term loan for Working Capital from financial institutions amounting to ₹ Nil (P.Y. - ₹ 834.95/- lakhs) is as follows:**

- i. Pledge of Equity Shares of Dilip Buildcon Limited held by Mr. Dilip Suryavanshi, the Managing Director of the Company, the market value of which is not less than 2.00 times the outstanding

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

- obligations of the borrower at the point of facility drawdown 6,03,000 shares of Dilip Buildcon Limited held by Mr. Dilip Suryavanshi, the 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 ₹ 3,355.00/- lakhs (P.Y. - ₹ 5,932.50) is as follows:**
- i. Pledge of Equity Shares of Dilip Buildcon Limited held by Mr. Dilip Suryavanshi, the Managing Director of the Company, the market value of which is not less than 2.10 times the outstanding obligations of the borrower at the point of facility drawdown 35,00,000 shares of Dilip Buildcon Limited held by Mr. Dilip Suryavanshi, the 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 securities provided for the Term loan for Working Capital from financial institutions amounting to ₹ 1,342.71/- lakhs (P.Y. - 3,325.03 lakhs) is as follows:**
- i. 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 1,25,00,000 equity shares of Dilip Buildcon Limited held by Mr. Dilip Suryavanshi, the Managing Director of the Company and Mr. Devendra Jain, the CEO of the Company
  - iv. Pari Passu charge of all lender banks by way of hypothecation of stock of Material, Stock-in-process i.e. Cement, Steel, Steel Pipes, Gitty, Murrum, Boulders, 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 of the Company, Mr. Devendra Jain, the CEO of the Company and Mrs. Preeti Jain, the relative of the CEO of the Company
  - vii. Guarantee of the firm M/s B. S. Associates
  - viii. The collateral securities provided for the above loans are as follows:
- Pari Passu 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, Mr. Dilip Suryavanshi, 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, Bhopal, standing in the name of,

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

- Mrs. Seema Suryavanshi, the Whole-time Director of the Company.
- 3) Plot at Khasra No. 235 (Old 85,86/1, 87/23) ; Patwari Halka No. 35, Vill. Chapri, Ratibar Tehsil-Huzur; Distt. Bhopal, standing in the name of, Mr. Dilip Suryavanshi, the Managing Director of the Company and Mrs. Seema Suryavanshi, the Whole-time Director of the Company.
- 4) 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, Mr. Dilip Suryavanshi, the Managing Director of the Company.
- 5) 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, Mrs. Seema Suryavanshi, the Whole-time Director of the Company
- 6) 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, Mr. Dilip Suryavanshi, the Managing Director of the Company.
- 7) 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, Mr. Devendra Jain, the CEO 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, District Rajgarh (M.P) H. No. 7 standing in the name of, Mr. Devendra Jain, the CEO of the Company.
- 9) 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, Mr. Dilip Suryavanshi, the Managing Director of the Company and Mrs. Seema Suryavanshi, the Whole-time Director of the Company.
- 10) 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).
- 11) 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, Mrs. Preeti Jain, relative of the CEO of the Company.

### Repayment Schedule

#### (i) Financial Year 2019–20

(₹ In Lakhs)

Particulars	1 year	1-3 years	Beyond 3 Years	Total Amount
Debentures	18,000.00	33,000.00	-	51,000.00
Term Loans From Banks	13,043.04	16,794.89	2,740.02	32,577.95
Term Loans From Others	21,085.02	23,872.90	864.53	45,822.45
<b>Total</b>	<b>52,128.06</b>	<b>73,667.79</b>	<b>3,604.55</b>	<b>1,29,400.40</b>

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### (ii) Financial Year 2018-19

(₹ 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	4,884.09	33,500.68
Term Loans From Others	17,659.64	35,472.87	5,476.98	58,609.49
<b>Total</b>	<b>37,512.99</b>	<b>89,236.11</b>	<b>25,361.07</b>	<b>1,52,110.17</b>

#### Note 12: Trade payables

(₹ In Lakhs)

Particulars	31 March 2020	31 March 2019
(a) total outstanding dues of micro enterprises and small enterprises (Refer Note 35)	4,407.74	3,511.46
(b) total outstanding dues of creditors other than micro enterprises and small enterprises*	1,59,479.56	1,71,956.57
<b>Total</b>	<b>1,63,887.30</b>	<b>1,75,468.03</b>

\* Includes ₹ 1,035.57/- lakhs (P.Y. - ₹ 285.79/-) payable to related parties

#### Note 13: Other financial liabilities

(₹ In Lakhs)

Particulars	31 March 2020	31 March 2019
<b>Current</b>		
(a) Current maturities of long term borrowings (Note 11)	52,128.06	37,512.99
(b) Interest accrued but not due on borrowings	1,168.95	1,360.60
(c) Unpaid Dividend	3.96	3.13
(d) Creditors for expenses*	15,996.64	14,803.52
(e) Lease liabilities	3,512.68	-
<b>Total</b>	<b>72,810.29</b>	<b>53,680.24</b>

\* Includes ₹ 753.60/- lakhs (P.Y. - ₹ 1,807.52/- lakhs) payable to related parties

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### Note 14: Provisions

		(₹ In Lakhs)	
Particulars		31 March 2020	31 March 2019
<b>Non-current</b>			
(a)	Provision for employee benefits		
(i)	Provision for compensated absences	2,031.55	1,910.89
	Less: Current provision	54.73	45.06
		1,976.82	1,865.83
(ii)	Provision for gratuity (Refer Note 31)	4,192.37	3,130.51
	Less: Current provision	1,516.56	1,172.52
		2,675.81	1,957.99
		4,652.63	3,823.82
(b)	Defect liability provision (Refer Note 29)	1,006.62	756.62
(c)	Provision for loss on sale of investment	3,908.00	3,908.00
	<b>Total Non-current</b>	<b>9,567.25</b>	<b>8,488.44</b>
<b>Current</b>			
(a)	Provision for employee benefits		
(i)	Provision for compensated absences	54.73	45.06
(ii)	Provision for gratuity (Refer Note 31)	1,516.56	1,172.52
	<b>Total Current</b>	<b>1,571.29</b>	<b>1,217.58</b>
	<b>Total</b>	<b>11,138.54</b>	<b>9,706.02</b>

### Note 15: Other liabilities

		(₹ In Lakhs)	
Particulars		31 March 2020	31 March 2019
<b>Non-current</b>			
(a)	Advances		
(i)	Related parties	1,01,145.86	73,868.14
(ii)	Others	69,677.90	47,880.78
		1,70,823.76	1,21,748.92
	Less: Current portion - Related Parties	57,378.97	53,063.62
	Less: Current portion - Others	50,001.28	27,170.38
		63,443.51	41,514.92
(b)	Advance Received against sale of equity in subsidiary companies	49,036.18	74,084.70
	Less: Liabilities in respect of non current assets held for sale	(15,513.86)	(27,578.06)
		33,522.32	46,506.64
	<b>Total Non-current</b>	<b>96,965.83</b>	<b>88,021.56</b>
<b>Current</b>			
(a)	Advances		
(i)	Related parties	57,378.97	53,063.62
(ii)	Others	50,001.28	27,170.38
		1,07,380.25	80,234.00
(b)	Duties and Taxes	1,140.84	399.59
(c)	Statutory Remittances	901.00	863.03
(d)	Amounts withheld from Contractor	13,884.92	12,438.59
	<b>Total Current</b>	<b>1,23,307.01</b>	<b>93,935.21</b>
	<b>Total</b>	<b>2,20,272.84</b>	<b>1,81,956.77</b>



## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### Note 16: Income Taxes

#### i. Amount recognised in profit or loss

(₹ In Lakhs)

Particulars	For Year ended March 31, 2020	For Year ended March 31, 2019
<b>Current income tax:</b>		
Current income tax charge	18,348.22	12,990.24
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	(3,301.53)	(8,987.53)
<b>Income tax expense reported in the statement of Profit and Loss</b>	<b>15,046.69</b>	<b>4,002.71</b>

#### ii. Income Tax in Other Comprehensive Income

(₹ In Lakhs)

Particulars	For Year ended March 31, 2020	For Year ended March 31, 2019
<b>Deferred tax:</b>		
Remeasurements gains and losses on post employment benefits	93.16	28.24
<b>Income tax expense reported in the statement of other comprehensive income</b>	<b>93.16</b>	<b>28.24</b>

#### iii. Reconciliation of effective tax rate

The table below explains the differences between the expected tax expense, at the Indian Statutory tax rate of 34.94% in financial year 2019-20 (Financial Year 2018-19: 34.94%) payable by corporate entities in India on taxable profits under tax laws in India, and the company's total tax expense for the year:

(₹ In Lakhs)

Particulars	For Year ended March 31, 2020	For Year ended March 31, 2019
<b>(a) Profit before tax</b>	57,544.20	80,496.78
<b>(b) Corporate tax rate as per Income tax Act, 1961</b>	34.94%	34.94%
<b>(c) Tax on Accounting profit (c) = (a) * (b)</b>	20,108.25	28,128.79
(i) Tax on long term capital gains exempt from tax	(312.19)	(149.07)
(ii) Tax on expenses not tax deductible		
(A) CSR expenses	67.30	37.72
(B) Contribution to voluntary benefit fund	129.22	-
(iii) Deduction u/s 80IA	(2,148.95)	(17,471.99)
(iv) Deduction u/s 80JJAA	(1,588.27)	(2,284.42)

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Particulars	For Year ended March 31, 2020	For Year ended March 31, 2019
(v) Additional depreciation u/s 32(1)(iia)	(2,615.59)	(2,878.46)
(vi) Tax effect on various other items	1,285.07	(1,351.61)
(vii) Effect of current tax related to earlier years	215.01	-
<b>Total effect of tax adjustments [(i) to (vii)]</b>	<b>(4,968.40)</b>	<b>(24,097.84)</b>
Tax expense recognised during the year (e)=(c)+(d)	15,139.85	4,030.95
Effective tax Rate (f)=(e)/(a)	26.31%	5.01%

#### iv. Deferred Tax

(₹ In Lakhs)

Deferred tax relates to the following: Deferred tax asset / (liability)	Balance sheet		Statement of profit and loss & other comprehensive income	
	31 March 2020	31 March 2019	For the year ended 31 <sup>st</sup> March, 2020	For the year ended 31 <sup>st</sup> March, 2019
			(Expense)/Income	
<b>Deferred tax asset</b>				
Provision for post retirement benefits and other employee benefits	4,091.22	3,499.42	591.80	1,119.82
Provisions	11,414.33	10,103.93	1,310.40	8,555.53
Ind AS 116 Impact	464.75	-	-	-
<b>Total</b>	<b>15,970.30</b>	<b>13,603.35</b>	<b>1,902.20</b>	<b>9,675.35</b>
<b>Deferred tax liability</b>				
Property, plant & equipment and intangible assets	14,008.80	15,314.97	(1,306.17)	729.49
Transaction cost on loan	-	-	-	(13.43)
<b>Total</b>	<b>14,008.80</b>	<b>15,314.97</b>	<b>(1,306.17)</b>	<b>716.06</b>
<b>Net deferred tax asset / (liability)</b>	<b>1,961.50</b>	<b>(1,711.62)</b>	<b>3,208.37</b>	<b>8,959.29</b>
<b>Deferred tax (expense)/income</b>			<b>3,208.37</b>	<b>8,959.29</b>
- Recognised in statement of profit and loss			3,301.53	8,987.53
- Recognised in statement of other comprehensive income			(93.16)	(28.24)

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### Note 17: Revenue from operations

(₹ In Lakhs)

Particulars	For Year ended March 31, 2020	For Year ended March 31, 2019
(a) Contract revenue *	8,89,551.33	9,11,320.59
	<b>8,89,551.33</b>	<b>9,11,320.59</b>
(b) Other operating revenue		
(i) Miscellaneous Receipts	8,830.26	2,528.28
(ii) Others	-	178.17
	<b>8,830.26</b>	<b>2,706.45</b>
<b>Total</b>	<b>8,98,381.59</b>	<b>9,14,027.04</b>

\* includes revenue on account of Bonus on earlier completion of contract ₹ 11,641.94/- lakhs (P.Y. - ₹ 3,258.90/- lakhs)

### Note 18: Other income

(₹ In Lakhs)

Particulars	For Year ended March 31, 2020	For Year ended March 31, 2019
(a) Interest Income		
(i) Interest from banks on deposits	2,133.71	1,378.63
(ii) Interest on loans given	957.45	779.51
(iii) Interest on Income tax and VAT Refund	-	215.37
	<b>3,091.16</b>	<b>2,373.51</b>
(b) Other non-operating income		
(i) VAT Refund	-	6.33

(₹ In Lakhs)

Particulars	For Year ended March 31, 2020	For Year ended March 31, 2019
(ii) Unwinding of security deposit	37.80	42.59
(iii) Profit on Sale of Assets	-	11.36
	<b>37.80</b>	<b>60.28</b>
<b>Total</b>	<b>3,128.96</b>	<b>2,433.79</b>

### Note 19: Cost of construction

(₹ In Lakhs)

Particulars	For Year ended March 31, 2020	For Year ended March 31, 2019
(a) Raw Material		
Opening Stock	2,33,502.06	1,88,940.22
Add: Purchases	2,93,087.36	3,29,999.80
Less: Closing Stock	2,57,967.31	2,33,502.06
	<b>2,68,622.11</b>	<b>2,85,437.96</b>
(b) Cartage & Transportation	16,092.56	22,054.38
(c) Labour Charges	1,34,720.78	1,61,211.95
(d) Power and Fuel	1,15,701.43	1,13,876.78
(e) Electrical Repairs and Maintenance	91.07	70.10
(f) Insurance Charges	3,069.63	4,287.71
(g) Machinery Repairs and Maintenance	4,943.82	4,602.66
(h) Security Maintenance	16.06	14.82

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Particulars		For Year ended March 31, 2020	For Year ended March 31, 2019
(i)	Technical and Consultancy Charges	12,863.11	9,130.81
(j)	Labour Cess and Taxes	7,866.65	7,806.66
(k)	Lease Rent	2,137.06	9,230.03
(l)	Vehicle and Machine related Charges	6,506.82	3,773.93
(m)	Royalty Charges	15,378.73	11,506.87
(n)	Salary to Site Staff	74,258.37	69,571.82
(o)	Site Expenses	27,293.09	14,014.24
	<b>Total</b>	<b>6,89,561.29</b>	<b>7,16,590.72</b>

### Note 20: Changes in inventories

(₹ In Lakhs)

Particulars	For Year ended March 31, 2020	For Year ended March 31, 2019
<b>Work in progress</b>		
Opening Stock	16,873.60	13,683.18
Less: Closing Stock	5,118.94	16,873.60
<b>Total</b>	<b>11,754.66</b>	<b>(3,190.42)</b>

### Note 21: Employee benefits expense

(₹ In Lakhs)

Particulars		For Year ended March 31, 2020	For Year ended March 31, 2019
(a)	Salaries, wages and bonus	7,668.59	6,524.91
(b)	Contribution to:		
	Provident Fund	4,747.13	2,982.18
	ESIC	34.64	564.13
	Voluntary Benefit Fund	184.89	160.09
(c)	Employee's welfare and Other amenities	3,316.64	3,904.31
(d)	Directors Remuneration	3,626.00	3,600.00
	<b>Total</b>	<b>19,577.89</b>	<b>17,735.62</b>

### Note 22: Finance costs

(₹ In Lakhs)

Particulars		For Year ended March 31, 2020	For Year ended March 31, 2019
(a)	Interest on borrowings	50,130.80	44,786.17
(b)	Other borrowing cost	10,549.51	8,201.68
(c)	Unwinding of discount of lease liabilities	588.16	-
	<b>Total</b>	<b>61,268.47</b>	<b>52,987.85</b>

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### Note 23: Other expenses

(₹ In Lakhs)

Particulars	For Year ended March 31, 2020	For Year ended March 31, 2019
(a) Advertisement Charges	166.92	156.68
(b) Audit Fees (Refer Note 26)	64.75	55.75
(c) Business Promotion Exp	169.10	145.88
(d) Conveyance	1,836.46	18.81
(e) Legal Charges	1,088.98	1,098.98
(f) Printing & Stationery	109.53	273.42
(g) Repairs and Maintenance - Others	4,924.31	899.40
(h) Service Tax	205.53	-
(i) Telephone Charges	353.70	446.26
(j) Tender Expenses	107.50	84.85
(k) Travelling Expenses	2,739.83	2,869.69
(l) Vat Expenditure	2,396.39	1,243.93
(m) Office Rent	434.19	438.82
(n) Miscellaneous Expenses	1,227.84	101.98
(o) Provision for Doubtful Debts	3,500.00	11,000.00
(p) Office Expenses	281.34	498.47
(q) Postage and Courier	93.90	88.56
(r) Directors Sitting fees	30.35	18.70

(₹ In Lakhs)

Particulars	For Year ended March 31, 2020	For Year ended March 31, 2019
(s) CSR expenses (Note 43)	192.60	107.94
(t) Foreign exchange fluctuation	2.39	-
(u) Defect liability provision (Note 29)	250.00	700.00
(v) Loss on sale of Asset	109.71	-
<b>Total</b>	<b>20,285.32</b>	<b>20,248.12</b>

### Note 24: Other comprehensive income

(₹ In Lakhs)

Particulars	For Year ended March 31, 2020	For Year ended March 31, 2019
<b>(a) Items that will not be reclassified to profit or loss</b>		
(i) Remeasurements gains / (losses) on post-employment benefits	266.59	(80.82)
(ii) Tax on remeasurements gains / (losses)	(93.16)	(28.24)
<b>Total</b>	<b>173.43</b>	<b>(109.06)</b>

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### Note 25: Commitments and Contingent Liabilities

(₹ In Lakhs)

Particulars		31 March 2020	31 March 2019
<b>Capital Commitments</b>			
i)	Investment in Subsidiary companies	57,720.00	1,16,307.33
<b>Contingent Liabilities</b>			
i)	Claims against the company not acknowledged as debts	2,124.96	5,000.29
ii)	Guarantees issued by the bank on Company's behalf	4,38,516.82	3,92,034.39
iii)	Corporate guarantees issued by Company on behalf of subsidiaries, associates and other companies	84,819.54	75,360.54
<b>Total</b>		<b>5,83,181.32</b>	<b>5,88,702.55</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.

### Note 26: Remuneration to Auditors

(₹ In Lakhs)

Particulars		For Year ended March 31, 2020	For Year ended March 31, 2019
a)	Audit Fees	41.75	41.75
b)	Limited Review Fees	12.00	12.00
c)	Other Certification	11.00	2.00
<b>Total</b>		<b>64.75</b>	<b>55.75</b>

### Note 27: Earnings per Share (Basic and diluted)

(₹ In Lakhs)

Particulars		For Year ended March 31, 2020	For Year ended March 31, 2019
a)	Profit for the year before tax	57,544.20	80,496.78
	Less : Attributable Tax thereto	15,046.69	4,002.71
	Profit after Tax	42,497.51	76,494.07
b)	Weighted average number of equity shares used as denominator	13,67,69,768	13,67,69,768
c)	Basic and Diluted earning per share of nominal value of ₹ 10/- each	31.07	55.93

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### Note 28: Related party transaction

Name of the related party	Nature of relationship	% of holding	Nature of relationship	% of holding
	31 March 2020	31 March 2020	31 March 2019	31 March 2019
DBL Betul Sarni Tollways Limited	Subsidiary	100.00%	Subsidiary	100.00%
DBL Tikamgarh Nowgaon Tollways Limited	-	-	Subsidiary	100.00%
Suryavanshi Infrastructure Private Limited	-	-	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	51.00%	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	51.00%	Subsidiary	100.00%
DBL Tuljapur Ausa Highways Ltd	Subsidiary	51.00%	Subsidiary	51.00%
DBL Kalmath Zarap 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	51.00%	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%	Subsidiary	100.00%
DBL Bangalore Nidagatta Highways Private Limited	Subsidiary	100.00%	Subsidiary	100.00%
DBL Anandapuram Anakapalli Highways Private Limited	Subsidiary	100.00%	Subsidiary	100.00%
DBL Gorhar Khairatunda Highways Private Limited	Subsidiary	100.00%	Subsidiary	100.00%
DBL Nidagatta Mysore Highways Private Limited	Subsidiary	100.00%	Subsidiary	100.00%
DBL Rewa Sidhi Highways Private Limited	Subsidiary	100.00%	Subsidiary	100.00%
DBL Byrapura Challakere Highways Private Limited	Subsidiary	100.00%	Subsidiary	100.00%
DBL Mangloor Highways Private Limited	Subsidiary	100.00%	Subsidiary	100.00%
DBL Sangli Bargaon Highways Private Limited	Subsidiary	100.00%	Subsidiary	100.00%
DBL Bargaon Watambare Highways Private Limited	Subsidiary	100.00%	Subsidiary	100.00%
DBL Mangalwedha Solapur Highways Private Limited	Subsidiary	100.00%	Subsidiary	100.00%
DBL Bellary Byrapura Highways Private Limited	Subsidiary	100.00%	Subsidiary	100.00%

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

Name of the related party	Nature of relationship	% of holding	Nature of relationship	% of holding
	31 March 2020	31 March 2020	31 March 2019	31 March 2019
DBL Pachwara Coal Mines Private Limited	Subsidiary	74.00%	Subsidiary	74.00%
DBL Ashoknagar-Vidisha Tollways Limited	-	-	Associate	30.00%
DBL Nadiad Modasa Tollways Limited	Associate	26.00%	Associate	26.00%
Deevin Sesmic Systems Private Limited	Subsidiary	100.00%	-	-
Dilip Buildcon-Varah Infra Ltd (JV)				
Dilip Buildcon Limited -Varah Infra Ltd (JV)				
Dilip Buildcon-MBZ JV				
DBL-DECO JV				
Valecha Dilip JV				
DBL-SRBG(JV)				
DBL-EVRASCON (JV)				
Dilip Buildcon Limited & Ranjit Buildcon Limited JV				
Shri Dilip Suryavanshi				
Smt. Seema Suryavanshi				
Shri Devendra Jain				
Shri Aditya Vijay Singh				
Shri Ashwini Verma				
Shri Amogh Kumar Gupta				
Shri Satish Chandra Pandey				
Shri Vijay Chibber				
Shri Malay Mukhrjee				
Smt. Ratna Dharashree Vishwanathan				
Shri Radhey Shyam Garg (Chief Financial Officer)				
Shri Abhishek Shrivastava (Company Secretary)				
Shri Bharat Singh (President)				
Shri Rohan Suryavanshi				
Shri Karan Suryavanshi				
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				

Entities with whom reporting entity has Joint Operations

Key Managerial Persons (KMP)

Relatives of KMP

Other Related Parties



# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

The following transactions were undertaken during the reporting period:

## 1) Expense

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2020				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
Bhavya Infra & Systems Private Limited	215.20				215.20
Jalpa Devi Engineering Private Limited	219.98				219.98
DBL Kalmath Zarap Highways Ltd	15.36				15.36
DBL Yavatmal Wardha Highways Private Ltd	55.45				55.45
DBL Tuljapur AUSA Highways Ltd	12.84				12.84
DBL Wardha Butibori Highways Private Ltd	69.17				69.17
DBL Mahagaon Yavatmal Highways Private Ltd	6.47				6.47
<b>Purchase of Materials</b>					
Jalpa Devi Engineering Private Limited	594.55				594.55
Deevin Seismic System Pvt Ltd	65.78				65.78
Interest on Mobilisation Advance					
Dilip Buildcon-MBZ JV			1,133.61		1,133.61
<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 Aditya Vijay Singh				1.00	1.00
Shri Ashwini Verma				4.00	4.00
Shri Amogh Kumar Gupta				2.00	2.00
Shri Satish Chandra Pandey				5.00	5.00
Shri Vijay Chibber				4.00	4.00
Shri Malay Mukhrjee				5.00	5.00
Smt. Ratna Dharashree Vishwanathan				5.00	5.00
Shri Radhey Shyam Garg (Chief Financial Officer)				67.62	67.62
Shri. Abhishek Shrivastava (Company Secretary)				29.32	29.32
Shri Bharat Singh (President)				79.96	79.96
Shri Rohan Suryavanshi				122.00	122.00
Shri Karan Suryavanshi				97.60	97.60

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2020				
	Subsidiaries	Associates	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	Grand Total
<b>Post-employment benefits</b>					
Directors (Shri Dilip Suryavanshi, Smt. Seema Suryavanshi and Shri Devendra Jain)				1.81	1.81
Shri Radhey Shyam Garg (Chief Financial Officer)				1.15	1.15
Shri. Abhishek Shrivastava (Company Secretary)				1.31	1.31
Shri Bharat Singh (President)				0.69	0.69
Shri Rohan Suryavanshi				1.00	1.00
Shri Karan Suryavanshi				0.63	0.63
<b>Reversal of income</b>					
DBL Lucknow Sultanpur Highways Ltd	334.08				334.08
<b>Total</b>	<b>1,588.88</b>	<b>-</b>	<b>1,445.61</b>	<b>4,029.09</b>	<b>7,063.58</b>

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2019				
	Subsidiaries	Associates	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			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 Radhey Shyam Garg (Chief Financial Officer)				13.95	13.95
**Shri Raja Ghosh (Interim Chief Financial Officer)				25.59	25.59
*Shri Vaibhav Rawat (Out going Chief Financial Officer)				7.56	7.56
Shri. Abhishek Shrivastava (Company Secretary)				28.24	28.24
Shri Bharat Singh (President)				86.14	86.14
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

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ 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	
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>3,993.12</b>	<b>6,015.38</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

The following transactions were undertaken during the reporting period:

## 2) Income

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2020				Grand Total
	Subsidiaries	Associates	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
<b>Contract Receipts</b>					
DBL Chandikhole Bhadrak Highways Private Limited	30,863.24				30,863.24
DBL Anandapuram Anakapalli Highways Private Limited	56,657.16				56,657.16
DBL Rewa Sidhi Highways Private Limited	22,154.71				22,154.71
DBL Byrapura Challakere Highways Private Limited	32,668.59				32,668.59
DBL Kalmath Zarap Highways Ltd	14,838.15				14,838.15
DBL Yavatmal Wardha Highways Private Ltd	1,204.40				1,204.40
DBL Tuljapur AUSA Highways Ltd	9,435.87				9,435.87
DBL Wardha Butibori Highways Private Ltd	3,958.56				3,958.56
DBL Mahagaon Yavatmal Highways Private Ltd	10,960.29				10,960.29
DBL Mangloor Highways Private Limited	31,056.40				31,056.40
DBL Patan Rehli Tollways Limited	63.68				63.68

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2020				Grand Total
	Subsidiaries	Associates	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
DBL Bangalore Nidagatta Highways Private Limited	69,900.74				69,900.74
DBL Nidagatta Mysore Highways Private Limited	28,711.98				28,711.98
DBL Gorhar Khairatunda Highways Private Limited	27,969.52				27,969.52
DBL Sangli Bargaon Highways Private Limited	24,964.04				24,964.04
DBL Bargaon Watambare Highways Private Limited	43,473.46				43,473.46
DBL Mangalwedha Solapur Highways Private Limited	35,095.98				35,095.98
DBL Bellary Byrapura Highways Private Limited	28,719.65				28,719.65
Dilip Buildcon-Varah Infra Ltd (JV)			3,112.58		3,112.58
Dilip Buildcon Limited -Varah Infra Ltd (JV)			3,294.36		3,294.36
Dilip Buildcon-MBZ JV			33,516.33		33,516.33
DBL-DECO JV			61,325.44		61,325.44
DBL SRBG JV			1,600.14		1,600.14
<b>Interest Received on Unsecured Loan</b>					
Jalpa Devi Engineering Private Limited	687.77				687.77
Bhavya Infra & Systems Private Limited	66.92				66.92
Deevin Seismic System Pvt Ltd	23.13				23.13
<b>Miscellaneous Income / Reimbursement of Expenses</b>					
DBL Chandikhole Bhadrak Highways Private Ltd	188.19				188.19
Jalpa Devi Engineering Private Limited	530.55				530.55
DBL Anandapuram Ankapalli Highways Private Limited	460.60				460.60
DBL Gorhar Khairatunda Highways Private Limited	38.17				38.17
DBL Mangloor Highways Private Limited	45.43				45.43
DBL Rewa Sidhi Highways Private Limited	3.21				3.21
DBL Byrapura Challakere Highways Private Limited	98.62				98.62
DBL Wardha Butibori Highways Private Ltd	3,362.41				3,362.41
DBL Bangalore Nidagatta Highways Private Limited	56.94				56.94
DBL Nidagatta Mysore Highways Private Limited	177.68				177.68
DBL Sangli Bargaon Highways Private Limited	37.80				37.80
DBL Bargaon Watambare Highways Private Limited	88.40				88.40
DBL Mangalwedha Solapur Highways Private Limited	56.47				56.47
DBL Bellary Byrapura Highways Private Limited	203.04				203.04
<b>Total</b>	<b>4,78,821.75</b>	<b>-</b>	<b>1,02,848.85</b>	<b>-</b>	<b>5,81,670.60</b>

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2019				
	Subsidiaries	Associates	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	Grand Total
<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 Ankapalli 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 Kalmath Zarap Highways Ltd	42,152.17				42,152.17
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>4,24,089.52</b>	<b>-</b>	<b>1,63,262.19</b>	<b>-</b>	<b>5,87,351.71</b>

The following balances were outstanding at the end of the reporting period:

1) Balances receivable from related parties

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2020				
	Subsidiaries	Associates	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	Grand Total
<b>Investment in Shares – Equity</b>					
DBL Nadiad Modasa Tollways Limited		745.02			745.02

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2020				Grand Total
	Subsidiaries	Associates	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
DBL Betul Sarni Tollways Limited	8,059.00				8,059.00
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	11,220.01				11,220.01
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	3,628.65				3,628.65
DBL Tuljapur Ausa Highways Ltd	1,631.70				1,631.70
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	4,490.35				4,490.35
DBL Wardha Butibori Highways Private Ltd	4,303.11				4,303.11
DBL Yavatmal Wardha Highways Private Ltd	5.10				5.10
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	21,900.05				21,900.05
DBL Anandapuram Anapakalli Highways Private Limited	11,010.06				11,010.06
DBL Gorhar Khairatunda Highways Private Limited	3,688.00				3,688.00
DBL Nidagatta Mysore Highways Private Limited	11,418.40				11,418.40
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	3,288.02				3,288.02
DBL Sangli Bargaon Highways Private Limited	5,261.04				5,261.04
DBL Bargaon Watambare Highways Private Limited	4,931.01				4,931.01
DBL Mangalwedha Solapur Highways Private Limited	5,431.01				5,431.01
DBL Bellary Byrapura Highways Private Limited	5,464.00				5,464.00
DBL Pachwara Coal Mines Private Limited	0.74				0.74
Deevin Sismic Systems Private Limited	775.00				775.00
<b>Security Deposit given</b>					
Shree Vinayak Enterprises & Properties			450.00		450.00
DBL-DECO JV			716.47		716.47
Genex Hotels Pvt Ltd			50.00		50.00

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2020				Grand Total
	Subsidiaries	Associates	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
<b>Trade Receivables</b>					
DBL Betul Sarni Tollways Limited	965.39				965.39
DBL Chandikhole Bhadrak Highways Private Ltd	839.79				839.79
DBL Tuljapur AUSA Highways Ltd	3,872.38				3,872.38
DBL Hassan Periyapatna Tollways Ltd	1,844.76				1,844.76
DBL Hirekerur Ranibennur Tollways Ltd	880.60				880.60
DBL Kalmath Zarap Highways Ltd	4,016.70				4,016.70
DBL Lucknow Sultanpur Highways Ltd	4,615.31				4,615.31
DBL Mahagoan Yavatmal Highways Private Ltd	5,415.89				5,415.89
DBL Wardha Butibori Highways Private Ltd	5,049.92				5,049.92
DBL Yavatmal Wardha Highways Private Ltd	7,453.96				7,453.96
DBL Bangalore Nidagatta Highways Private Limited	94.02				94.02
DBL Anandapuram Anapalli Highways Private Limited	7,891.23				7,891.23
DBL Byrapura Challakere Highways Private Limited	1,489.45				1,489.45
DBL Mangloor Highways Private Limited	27.59				27.59
DBL Sangli Bargaon Highways Private Limited	2,185.00				2,185.00
DBL Mangalwedha Solapur Highways Private Limited	2,265.26				2,265.26
DBL Bellary Byrapura Highways Private Limited	819.07				819.07
DBL Gorhar Khairatunda Highways Private Limited	303.05				303.05
DBL Nidagatta Mysore Highways Private Limited	2,347.80				2,347.80
Jalpa Devi Engineering Private Limited	1,325.41				1,325.41
Deevin Seismic System Pvt Ltd	15.42				15.42
Genex Hotels Pvt Ltd			2,185.51		2,185.51
Dilip Buildcon-MBZ JV			8,441.20		8,441.20
DBL-DECO JV			1,195.59		1,195.59
Dilip Buildcon-Varah Infra Ltd (JV)			1,166.48		1,166.48
Dilip Buildcon Limited -Varah Infra Ltd (JV)			508.91		508.91
DBL-SRBG(JV)			1,827.60		1,827.60
<b>Unsecured Loans Given</b>					
DBL Hassan Periyapatna Tollways Ltd	1,902.07				1,902.07
DBL Hirekerur Ranibennur Tollways Ltd	2,742.22				2,742.22
DBL Mundargi Harapanahalli Tollways Ltd	1,663.75				1,663.75
DBL Kalmath Zarap Highways Ltd	7,950.15				7,950.15
Bhavya Infra & Systems Private Limited	844.41				844.41

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2020				Grand Total
	Subsidiaries	Associates	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	
Jalpa Devi Engineering Private Limited	9,373.99				9,373.99
DBL Mahagaon Yavatmal Highways Private Ltd	4,524.94				4,524.94
DBL Yavatmal Wardha Highways Private Ltd	223.47				223.47
DBL Wardha Butibori Highways Private Ltd	4,530.34				4,530.34
DBL VPR Mining Private Ltd	0.11				0.11
DBL Bangalore Nidagatta Highways Private Limited	1,073.76				1,073.76
DBL Anandapuram Anakapalli Highways Private Limited	2,231.07				2,231.07
DBL Gorhar Khairatunda Highways Private Limited	1,329.90				1,329.90
DBL Nidagatta Mysore Highways Private Limited	1,043.48				1,043.48
DBL Rewa Sidhi Highways Private Limited	4,530.05				4,530.05
DBL Byrapura Challakere Highways Private Limited	1,536.98				1,536.98
DBL Mangloor Highways Private Limited	3,286.95				3,286.95
DBL Sangli Borgaon Highways Private Limited	651.09				651.09
DBL Borgaon Watambare Highways Private Limited	2,372.78				2,372.78
DBL Mangalwedha Solapur Highways Private Limited	797.36				797.36
DBL Bellary Byrapura Highways Private Limited	436.53				436.53
DBL Pachwara Coal Mines Private Limited	62.75				62.75
DBL Chandikhole Bhadrak Highways Private Ltd	1,996.17				1,996.17
Deevin Sismic Systems Private Limited	1,639.52				1,639.52
DBL SRBG(JV)			29.08		29.08
Valecha Dilip JV			0.44		0.44
<b>Retention &amp; Withheld Money</b>					
DBL Anandapuram Anakapalli Highways Private Limited	3,850.13				3,850.13
DBL Kalmath Zarap Highways Ltd	349.05				349.05
DBL Mahagaon Yavatmal Highways Private Ltd	169.78				169.78
DBL Patan Rehli Tollways Limited	2.88				2.88
DBL Lucknow Sultanpur Highways Ltd	7.75				7.75
DBL Bangalore Nidagatta Highways Private Limited	5.82				5.82
DBL Nidagatta Mysore Highways Private Limited	6.11				6.11
Dilip Buildcon-MBZ JV			4,261.08		4,261.08
Dilip Buildcon Limited-Varah Infra Ltd (JV)			1,460.18		1,460.18
Dilip Buildcon-Varah Infra Ltd (JV)			2,181.88		2,181.88
DBL-DECO JV			30.51		30.51



## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2020				
	Subsidiaries	Associates	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	Grand Total
<b>Advance given</b>					
Deevin Seismic System Pvt Ltd	569.56				569.56
B. S. Associates			245.30		245.30
Valecha Dilip JV			264.02		264.02
<b>Total</b>	<b>2,44,635.56</b>	<b>745.02</b>	<b>25,014.27</b>	<b>-</b>	<b>2,70,394.85</b>

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2019				
	Subsidiaries	Associates	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	Grand Total
<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
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

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ 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	
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 Bargaon Highways Private Limited	5.00				5.00
DBL Bargaon Watambare Highways Private Limited	5.00				5.00
DBL Mangalwedha Solapur Highways Private Limited	5.00				5.00
DBL Berllary 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
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

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ 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>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
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
DBL Mahagaon Yavatmal Highways Private Ltd	169.78				169.78

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2019				
	Subsidiaries	Associates	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	Grand Total
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>2,16,392.47</b>	<b>1,343.83</b>	<b>26,379.32</b>	<b>7.80</b>	<b>2,44,123.42</b>

## 2) Balances payable to related parties

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2020				
	Subsidiaries	Associates	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	Grand Total
<b>Advance received</b>					
DBL Kalmath Zarap Highways Ltd	4,661.10				4,661.10
DBL Wardha Butibori Highways Private Ltd	2,833.02				2,833.02
DBL Yavatmal Wardha Highways Private Ltd	3,107.75				3,107.75
DBL Mahagaon Yavatmal Highways Private Ltd	531.48				531.48
DBL Tuljapur AUSA Highways Private Limited	2,075.25				2,075.25
DBL Chandikhole Bhadrak Highways Private Ltd	8,301.27				8,301.27
DBL Rewa Sidhi Highways Private Limited	6,916.68				6,916.68
DBL Bangalore Nidagatta Highways Private Limited	10,950.00				10,950.00
DBL Anandapuram Anapakalli Highways Private Limited	4,882.04				4,882.04
DBL Gorhar Khairatunda Highways Private Limited	5,087.78				5,087.78
DBL Nidagatta Mysore Highways Private Limited	17,126.25				17,126.25
DBL Mangloor Highways Private Limited	4,112.46				4,112.46
DBL Sangli Bargaon Highways Private Limited	8,278.81				8,278.81
DBL Bargaon Watambare Highways Private Limited	2,525.57				2,525.57
DBL Mangalwedha Solapur Highways Private Limited	6,175.67				6,175.67

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2020				
	Subsidiaries	Associates	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	Grand Total
DBL Bellary Byrapura Highways Private Limited	8,935.08				8,935.08
DBL SRBG(JV)			1,607.54		1,607.54
Dilip Buildcon-MBZ JV			3,036.49		3,036.49
Unsecured Loans Taken					
Highfly Airlines Pvt. Limited			24.06		24.06
<b>Amounts Payable</b>					
Bhavya Infra & Systems Private Limited	364.16				364.16
Jalpa Devi Engineering Private Limited	671.41				671.41
<b>Deevin Seismic System Pvt Ltd</b>					
Shri Dilip Suryavanshi				373.96	373.96
Smt. Seema Suryavanshi				32.70	32.70
Shri Devendra Jain				323.00	323.00
Shri Bharat Singh (President)				15.75	15.75
<b>Total</b>	<b>97,535.78</b>	<b>-</b>	<b>4,668.09</b>	<b>745.41</b>	<b>1,02,949.27</b>

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2019				
	Subsidiaries	Associates	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	Grand Total
<b>Advance received</b>					
DBL Lucknow Sultanpur Highways Ltd	8,035.54				8,035.54
DBL Kalmath Zarap 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 Anapakalli 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

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2019				
	Subsidiaries	Associates	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	Grand Total
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>66,459.49</b>	<b>-</b>	<b>10,228.71</b>	<b>1,807.52</b>	<b>78,515.72</b>

### Note 29: Movement in provision

(₹ In Lakhs)

Particulars	Defect Liability Provision	Provision for Loss on sale of Investment
<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>
Additional provision recognised during year	250.00	-
Amount utilised during the year	-	-
Unused amounts reversed during the year	-	-
Unwinding of provision during the year	-	-
<b>Carrying amount as at 31 March 2020</b>	<b>1,006.62</b>	<b>3,908.00</b>
<b>Non-current</b>	<b>1,006.62</b>	<b>3,908.00</b>
<b>Current</b>	<b>-</b>	<b>-</b>

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### 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.

(₹ In Lakhs)

Sr. No.	Particulars	Carrying value		Fair value	
		31 March 2020	31 March 2019	31 March 2020	31 March 2019
	<b>Financial Asset</b>				
<b>(a)</b>	<b>Carried at amortised cost</b>				
(i)	Trade receivable *	1,23,973.91	1,40,926.25	-	-
(ii)	Security deposits	22,349.85	21,297.87	22,349.85	21,297.87
(iii)	Loans given	58,797.30	77,779.14	58,797.30	77,779.14
(iv)	Deposit in banks	12,651.33	7,869.17	12,651.33	7,869.17
(v)	Other financial asset	54,506.22	44,674.00	54,506.22	44,674.00
(vi)	Cash and cash equivalent *	32,191.50	18,879.54	-	-
	<b>Financial Liabilities</b>				
<b>a)</b>	<b>Carried at amortised cost</b>				
(i)	Borrowings	3,25,621.88	3,57,634.83	3,25,621.88	3,57,634.83
(ii)	Trade payable *	1,63,887.30	1,75,468.03	-	-
(iii)	Other financial liabilities	19,513.28	14,806.65	19,513.28	14,806.65
(iv)	Interest accrued but not due on borrowings	1,168.95	1,360.60	1,168.95	1,360.60

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.

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

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.

### Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2020:

(₹ 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		22,349.85		Discounted cash flows	Forecast cash flows, discount rate, maturity
(ii)	Loans given		58,797.30			
(iii)	Deposit in banks		12,651.33			
(iv)	Other financial asset		54,506.22			
<b>(b)</b>	<b>Financial liability measured at amortised cost</b>					
(i)	Borrowings		3,25,621.88		Discounted cash flows	Forecast cash flows, discount rate, maturity
(ii)	Other financial liabilities		19,513.28			
(iii)	Interest accrued but not due on borrowings		1,168.95			



## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2019:

(₹ 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 given		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		3,57,634.83		Discounted cash flows	Forecast cash flows, discount rate, maturity
(ii)	Other financial liabilities		14,806.65			
(iii)	Interest accrued but not due on borrowings		1,360.60			

During the year ended 31 March 2020 and 31 March 2019 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 ₹ 4,781.77/- lakhs (P.Y. - ₹ 3,546.31/- lakhs) is recognised as an expense 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 ₹ 853.17/- lakhs (P.Y. - ₹ 1,646.56/- lakhs) and is included under 'Employee's welfare and Other amenities' in "Employee benefits expenses" (Note 21) in the Profit and Loss Statement.

#### ii Defined Benefit Plans:

##### a) The amounts recognised in Balance Sheet are as follows:

₹ in lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
	Gratuity Plan	Gratuity Plan
	(Funded)	(Funded)
A. Amount to be recognised in Balance Sheet		
Present Value of Defined Benefit Obligation	4,566.40	3,528.41
Less: Fair Value of Plan Assets	(374.03)	(397.90)
<b>Amount to be recognised as liability or (asset)</b>	<b>4,192.37</b>	<b>3,130.51</b>

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### b) The amounts recognised in the Profit and Loss Statement are as follows:

₹ in lakhs

Particulars		₹ in lakhs	
		2019-20	2018-19
		Gratuity Plan (Funded)	Gratuity Plan (Funded)
1	Current Service Cost	1,172.52	940.21
2	Past service cost and loss/(gain) on curtailments and settlement	-	-
3	Net Interest (income)/ expenses	181.91	118.53
	<b>Net periodic benefit cost recognised in the statement of profit &amp; loss- (Employee benefit expenses - Note 21)</b>	<b>1,354.43</b>	<b>1,058.74</b>

### c) The amounts recognised in the statement of other comprehensive income (OCI)

₹ in lakhs

Particulars		₹ in lakhs	
		2019-20	2018-19
		Gratuity Plan (Funded)	Gratuity Plan (Funded)
1	Opening amount recognised in OCI outside profit and loss account	-	-
2	Due to Change in financial assumptions	189.17	31.40

Particulars		₹ in lakhs	
		2019-20	2018-19
		Gratuity Plan (Funded)	Gratuity Plan (Funded)
3	Due to Change in demographic assumptions	0.06	-
4	Due to experience adjustments	(492.00)	29.47
5	Return on Plan assets excluding amounts included in Interest Income	36.18	19.95
6	Total Remeasurements Cost / (Credit) for the year recognised in OCI	(266.59)	80.82
	Less: Accumulated balances transferred to retained earnings	-	-
	<b>Closing balances (remeasurement (gain)/loss recognised OCI)</b>	<b>(266.59)</b>	<b>80.82</b>

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

d) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

₹ in lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
	Gratuity Plan	Gratuity Plan
	(Funded)	(Funded)
1 Balance of the present value of Defined benefit Obligation as at 01-04-2019 / 01-04-2018	3,528.40	2,400.44
2 Interest expenses	244.99	164.41
3 Current Service Cost	1,172.52	940.21
4 Actuarial (gain) / loss due to change in financial assumptions	189.17	31.40
5 Actuarial (gain) / loss due to change in demographic assumptions	0.06	-
6 Actuarial (gain) / loss due to change in experience adjustments	(492.00)	29.47
7 Past Service Cost	-	-
8 Benefits paid	(76.74)	(37.53)
<b>Present value of obligation as at the end of the period 31-03-2020 / 31-03-2019</b>	<b>4,566.40</b>	<b>3,528.40</b>

e) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

₹ in lakhs

Particulars	Gratuity Plan	Gratuity Plan
	(Funded)	(Funded)
	As at 31 March 2020	As at 31 March 2019
1 Fair value of the plan assets as at beginning of the period 01-04-2019 / 01-04-2018	397.90	363.49
2 Interest income	63.07	45.89
3 Contributions	25.99	46.00
4 Benefits paid	(76.74)	(37.53)
5 Return on plan assets, excluding amount recognised in Interest Income - Gain / (Loss)	(36.18)	(19.95)
6 Fair value of plan assets as at the end of the period 31-03-2020 / 31-03-2019	374.04	397.90
7 Actual return on plan assets	26.89	25.94

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### f) Net interest (Income) /expenses

₹ in lakhs

Particulars	Gratuity Plan	Gratuity Plan
	(Funded)	(Funded)
	As at 31 March 2020	As at 31 March 2019
1 Interest (Income) / Expense – Obligation	244.99	164.41
2 Interest (Income) / Expense – Plan assets	(63.07)	(45.89)
3 Net Interest (Income) / Expense for the year	181.92	118.52

### g) The broad categories of plan assets as a percentage of total plan assets as at 31-03-2020 of Employee's Gratuity Scheme are as under:

Particulars	As at 31 March 2020	As at 31 March 2019
Policy of Insurance	100.00%	100.00%
<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 7.15% has been used for the valuation purpose.

### h) Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

- Discount rate as at 31-03-2020 – 6.45%
- Expected return on plan assets as at 31-03-2020: 6.45%
- Salary growth rate : For Gratuity Scheme – 8.00%
- 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:

₹ in lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
	Gratuity Plan	Gratuity Plan
	(Funded)	(Funded)
Defined Benefit Obligation	4,566.40	3,528.41
Plan Assets	(374.03)	(397.90)
<b>Net Liability / (Assets)</b>	<b>4,192.37</b>	<b>3,130.51</b>

### j) General descriptions of defined plans:

#### 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.

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

**k) The Company expects to fund ₹ 1,516.55/- lakhs towards its gratuity plan in the year 2020-21.**

### 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%)

₹ in lakhs

	Change in assumption	Effect on gratuity obligation	Effect on gratuity obligation
		Gratuity Plan	Gratuity Plan
		31 March 2020	31 March 2019
<b>1</b>	<b>Discount rate</b>		
	Increase by 0.5%	4,429.71	3,425.82
	Decrease by 0.5%	4,711.58	3,637.16
<b>2</b>	<b>Salary increase rate</b>		
	Increase by 0.5%	4,702.98	3,630.65
	Decrease by 0.5%	4,435.24	3,430.17
<b>3</b>	<b>Withdrawal rate</b>		
	Increase by 10%	4,452.77	3,442.01
	Decrease by 10%	4,690.93	3,621.16

### 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. The sensitivity analysis in the following sections relate to the position as at 31 March 2020 and 31 March 2019. 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 2020.

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.

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:

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

₹ in lakhs

Particulars	31 March 2020	31 March 2019
Variable rate borrowings		
Term loan from banks	10,212.99	12,164.58
From Others	-	-

The Company is exposed to debt obligations with variable interest rates. Accordingly, interest rate sensitivity disclosure is applicable and disclosed below:

₹ in lakhs

Particulars	2020	2019
Impact on profit after tax or equity		
Increase by 70 basis points	(46.75)	(55.68)
Decrease by 70 basis points	46.75	55.68

### 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 :

₹ in lakhs

Particulars	31 March 2020	31 March 2019
Less than 180 days	83,847.33	1,25,373.34
More than 180 days	67,876.58	39,802.91

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.

The table summarises the maturity profile of company's financial liabilities based on contractual undiscounted payments

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

₹ in lakhs

As at 31 March 2020	Carrying amount	1 year	1-3 years	Beyond 3 Years	Total Amount
Particulars					
Interest bearing borrowings	3,25,597.82	2,48,325.50	73,667.79	3,604.53	3,25,597.82
Loans from Related Parties	24.06	24.06	-	-	24.06
Other financial liabilities	20,682.22	20,682.22	-	-	20,682.22
Trade Payables	1,63,887.30	1,63,887.30	-	-	1,63,887.30

₹ in lakhs

As at 31 March 2019	Carrying amount	1 year	1-3 years	Beyond 3 Years	Total Amount
Particulars					
Interest bearing borrowings	3,55,080.56	2,40,483.39	89,236.11	25,361.06	3,55,080.56
Loans from Related Parties	2,554.27	2,554.27	-	-	2,554.27
Other financial liabilities	16,167.25	16,167.25	-	-	16,167.25
Trade Payables	1,75,468.03	1,75,468.03	-	-	1,75,468.03

### Note 33 : Expenditure in foreign currency

₹ in lakhs

Particulars	For year ended March 31, 2020	For year ended March 31, 2019
Consultancy charges	481.46	177.23
Purchase of Materials	-	2,203.58
Capital Expenditure	2,761.11	3,015.86
<b>Total</b>	<b>3,242.57</b>	<b>5,396.67</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.

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

₹ in lakhs

Particulars	31 March 2020	31 March 2019
Loans and borrowings	2,73,493.82	3,20,121.84
Trade payables	1,63,887.30	1,75,468.03
Other financial liability	72,810.29	53,680.24
Less: Cash and cash equivalents	32,191.50	18,879.54
<b>Net debt</b>	<b>4,77,999.90</b>	<b>5,30,390.56</b>
Equity	3,60,599.09	3,20,442.20
<b>Capital and net debt</b>	<b>8,38,598.99</b>	<b>8,50,832.76</b>
Gearing ratio	57.00%	62.34%

### 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:

(₹ in Lakhs)

Sr. No.	Particulars	31 March 2020	31 March 2019
a)	i) Principal amount remaining unpaid to supplier under the MSMED Act 2006	4,407.74	3,511.46
	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 36

- a. Ministry of Corporate Affairs has notified Ind AS 116 "Leases" which is effective from April 1, 2019. Pursuant to this, the company has applied this standard to all lease contracts existing on April 1, 2019 using the modified retrospective approach under which the cumulative effect is recognised at the date of initial application April 1, 2019. Accordingly, the Company has not restated comparative information, instead the cumulative effect of initially applying this standard has been recognised as an adjustment to the



## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

opening balance of retained earnings as on April 1, 2019. This has resulted in recognising a 'Right of Use' assets amounting to ₹ 6,415.99/- lakhs and a corresponding lease liability of ₹ 7,745.96/- lakhs by adjusting retained earnings ₹ 1,329.97 lakhs, (net of taxes ₹ 865.23 lakhs), as at April 1, 2019.

- b. Following are the changes in the carrying value of right of use assets for the year ended March 31, 2020:

(₹ in Lakhs)

Particulars	ROU Assets
<b>Balance as at April 01, 2019</b>	<b>6,415.99</b>
Add: Additions	-
Less: Deletions	-
Less: Depreciation	4,034.54
<b>Balance as at March 31, 2020</b>	<b>2,381.45</b>

- c. The following is the break-up of current and non-current lease liabilities as at March 31, 2020:

(₹ in Lakhs)

Particulars	31 March 2020
Current Lease Liabilities	3,512.68
Non-Current Lease Liabilities	-
<b>Total</b>	<b>3,512.68</b>

- d. The following is the movement in lease liabilities during the year ended March 31, 2020:

(₹ in Lakhs)

Particulars	Lease Liabilities
Balance as at April 01, 2019	7,745.96
Add: Additions	-
Add: Finance Cost accrued during the period	588.16
Less: Deletions	-
Less: Payment of Lease Liabilities	4,821.44
Balance as at March 31, 2020	3,512.68

- e. The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

(₹ in Lakhs)

Particulars	31 March 2020
Less than one year	3,512.68
One to five years	-
More than five years	-
<b>Total</b>	<b>3,512.68</b>

- f. The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

- g. Rental expense recorded for short-term leases was ₹ 2,137.06/- lakhs for the year ended March 31, 2020.

### Note 37

- i. Balances of Debtors, Creditors, Advances, Deposits, and Unsecured Loans etc. are subject to confirmation and reconciliation.

- ii. 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 March 31, 2020.

### 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

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

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

During the year, the Company had sold 100% shares in respect of two subsidiary companies, 15% shares (in addition to 85% shares sold in the earlier years) in respect of its seven companies, 30% shares (in addition to 70% shares sold in earlier year) in respect of one associate and 49% shares in respect of three subsidiary companies and had earned overall profit of ₹ 893.40 lakhs and the same has been reflected as Exceptional item in the Statement of Profit & Loss.

### Note 42

- a. The company has entered into Shareholder and Share Purchase agreement with Cube Highways and Infrastructure III PTE Limited on 31 August 2019 to sell its entire shareholding in five subsidiaries having projects under construction (as per Hybrid Annuity Mode ('HAM') Projects) for total expected consideration of ₹ 702 crores in a phased manner subject to shareholding transfer restrictions set out in concession agreement executed between National Highways Authority of India and respective subsidiaries and subject to various regulatory and lender approvals.
- b. The transaction will be completed in two stages, with the first stage to be completed after the Commercial Operation Date (the "COD") and the second stage to be completed after expiry of

mandatory lock-in period as per the Concession Agreement. Total consideration as stated above, may undergo some changes as per agreed terms on account of prevailing Bank Rate, rate of interest charged by lenders of respective Project, inflation etc. on the date of COD.

- c. Since the above agreements are subject to regulatory approvals, lender consent and other applicable approvals, no impact of this proposed transfer has been given effect to in these results.

### Note 43

As per provisions of the Companies Act, 2013 the Company was required to spend ₹ 1224.89/- lakhs (P.Y. - ₹ 858.00/- lakhs) on CSR activities during the preceding year. The Company had incurred expenditure relating to CSR activities amounting to ₹ 192.60/- lakhs (P.Y. - ₹ 107.94/- lakhs) and the same is reflected in Other Expenses in Note 23.

### Note 44

As per Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, the company had 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 ₹ 60,000/- lakhs at year ending March 2018, the debenture redemption reserve of ₹15,000/- lakhs had been created and the equivalent amount had been transferred from 'Retained Earnings' to 'Debenture Redemption Reserve'.

### Note 45

The COVID-19 pandemic has severely disrupted business operations due to lockdown and other emergency measures imposed by the governments. The operations of the Company were impacted, due to shutdown of projects and offices following nationwide lockdown. The Company continues with its operations in a phased manner in line with directives from the authorities. The Company has evaluated the impact of this pandemic on its business operations, liquidity and financial position and based on management's review of current indicators and economic conditions

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

there is no material impact on its financial results as at March 31, 2020.

The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial results. The Company will continue to monitor any material changes to future economic conditions

### Note 46 Loan Moratorium facility vide RBI circular

Due to difficulty faced by the borrowers in repayment of loans due to cash flow issues amid lockdown because of Covid-19 pandemic, RBI vide its Notification Ref RBI/2019-201186 DOR.No .BP.BC.47121 .04.04812019-20 dated 27 March 2020 (COVID-19 Regulatory Package) has asked the bankers to provide three months moratorium in loan repayments to its borrowers. The company has opted for this facility and has intimated to the respective bankers vide letter dated 28 March 2020 asking for keeping all the payments due from the company under the Consortium Loan Agreement, any interests and charges therein in abeyance for the month of April and May 2020.

### Note 47 Invocation of Force Majeure Clause due to impact of Covid-19

Ministry of Finance vide its Notification Ref. no. F.18/4/2020-PPD, has announced on 13 May 2020 that in respect of public-private partnership concession contracts, a period of the contract may have become unremunerative. Therefore, after fulfilling due procedure and wherever applicable, contractor may invoke Force Majeure Clause (FMC) for all construction/work contracts and in such event, date for completion of contractual obligations shall stand extended for a period not less than three months and not more than six months. Accordingly, the Company has invoked FMC for construction contracts and asked for extension of construction period.

### Note 48 The disclosure under section 186(4) of the Companies Act, 2013:

#### a. Corporate Guarantees given on behalf of associate

₹ in Lakhs

Name of the Subsidiary	31 March 2020	31 March 2019
DBL Ashoknagar-Vidisha Tollways Limited	-	2,000.00
<b>Total</b>	<b>-</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

₹ in Lakhs

Name of the Subsidiary	31 March 2020	31 March 2019
DBL Tikamgarh Nowgaon Tollways Limited	-	1,700.00
DBL Betul Sarni Tollways Limited	6,092.17	6,511.93
DBL Hata Dargawon Tollways Limited	2,286.59	2,422.51
DBL Patan Rehli Tollways Limited	4,539.28	4,826.30
DBL Mundargi Harapanahalli Tollways Ltd	584.00	728.20
DBL Lucknow Sultanpur Highways Limited	-	15,933.00
DBL Kalmath Zarap Highways Limited	-	8,790.40
DBL Yavatmal Wardha Highways Private Ltd	-	5,672.40
DBL Tuljapur Ausa Highways Ltd	-	6,436.50

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

₹ in Lakhs

Name of the Subsidiary	31 March 2020	31 March 2019
DBL Mahagaon Yavatmal Highways Pvt Ltd	6,166.80	6,280.50
DBL Chandikhole Bhadrak Highways Pvt Ltd	10,388.50	2,429.00
DBL Wardha Butibori Highways Private Ltd	-	5,057.80
Jalpa Devi Tollways Limited	6,432.70	6,572.00
DBL Bangalore Nidagatta Highways Private Limited	10,432.00	-
DBL Mangloor Highways Private Limited	7,315.50	-
DBL Sangli Bargaon Highways Private Limited	11,381.00	-
DBL Bargaon Watambare Highways Private Limited	8,784.00	-
DBL Mangalwedha Solapur Highways Private Limited	6,717.00	-
<b>Total</b>	<b>81,119.54</b>	<b>73,360.54</b>

Notes: i. All the guarantees and security given are for general business purposes.

### c. Corporate Guarantees given on behalf of other companies

₹ in Lakhs

Name of the Subsidiary	31 March 2020	31 March 2019
DBL Ashoknagar-Vidisha Tollways Limited	2,000.00	-
DBL Tikamgarh Nowgaon Tollways Limited	1,700.00	-
<b>Total</b>	<b>3,700.00</b>	<b>-</b>

Notes: i. All the guarantees and security given are for general business purposes.

ii. Corporate Guarantees were given when these companies were related parties.

**Note 49 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:**

(₹ in Lakhs)

Particulars	Long Term Borrowings	Short Term Borrowings
<b>Balance as on 31 March 2018</b>	<b>1,21,330.03</b>	<b>1,72,794.84</b>
Add : Cash inflow	60,557.95	19,33,015.49
Less : Cash outflow	29,836.73	19,00,285.67
Add : Non - Cash inflow	58.92	-
Less : Non - Cash outflow	-	-
<b>Balance as on 31 March 2019</b>	<b>1,52,110.17</b>	<b>2,05,524.66</b>
Add : Cash inflow	19,691.52	25,15,674.65
Less : Cash outflow	42,434.21	25,24,064.13
Add : Non - Cash inflow	32.92	-
Less : Non - Cash outflow	-	913.70
<b>Balance as on 31 March 2020</b>	<b>1,29,400.40</b>	<b>1,96,221.48</b>

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### Note 50 Disclosure as per Ind AS 115 – Revenue from Contract with Customers

₹ in Lakhs

#### (a) Contract with Customers

The company has recognised ₹ 8,89,551.33/- lakhs (P.Y. – ₹ 9,11,320.59/- lakhs) as revenue from Contracts with customers during the year.

#### (b) Disaggregation of Revenue

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.

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

Details of trade receivables, contract assets and contract liabilities arising from the contracts with customers are given below:

₹ in Lakhs

Particulars	31 March 2020	31 March 2019
Trade receivables (Refer Note 7)	1,23,973.91	1,40,926.25
<b>Contract Assets:</b>		

Particulars	31 March 2020	31 March 2019
Retention Money, Withheld Money, Security & Other Deposits (Refer Note 9)	81,967.33	91,041.59
Unbilled Revenue (Refer Note 5)	54,375.19	44,476.55
<b>Contract Liabilities:</b>		
Advances from customers (Refer Note 15)	1,70,823.76	1,21,748.92

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 recognised as Unbilled revenue and is classified as Financial Asset for these cases as right to consideration is unconditional upon passage of time.

During the year ended March 31, 2020, ₹ 44,476.55/- lakhs (P.Y. – ₹ 23,272.61/- lakhs) of opening unbilled revenue has been reclassified to Trade Receivables upon billing to customers on completion of milestone.

Changes in Contract Assets and Contract Liabilities are on account of transaction undertaken in the normal course of business.

#### (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 2020

- (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.

The aggregate amount of transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at March 31, 2020, after considering the practical expedient mentioned above is ₹ 19,08,158.43/- lakhs (P.Y. - ₹ 21,17,179.19/- lakhs) out of which 50% is expected to be recognised as revenue within the next one year and the balance thereafter.

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.

**Note 51 Figures relating to previous years have been regrouped / rearranged, wherever necessary.**

Signature to notes to accounts 1 to 51

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: Mumbai  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

# 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 2020, 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, 2020, 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. Emphasis of Matter

We draw your attention to Note 46 of the consolidated financial statements, as regards the management's assessment of the financial impact due to restrictions and conditions related to Covid-19 pandemic situation. Our opinion is not modified in respect of this matter.

### 4. 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.

Sr. no.	Key Audit Matter	Auditors Response
<b>1</b>	<b>Revenue recognition and accounting for Construction contracts</b>	
	<p>Significant accounting judgements including estimation of costs to complete, determining the stage of completion and the timing of revenue recognition.</p> <p>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.</p> <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>We performed the following audit procedures:</p> <p>Testing the design and implementation of internal controls including control over process for determining estimates used as evaluating whether they are operating effectively.</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>
<b>2</b>	<b>Assessment of receivables (including unbilled receivables)</b>	
	<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>



Sr. no.	Key Audit Matter	Auditors Response
3	<p><b>Physical Inventory verification at year end</b></p> <p>Risk of material misstatement due to not being able to physically observe the stock count carried out by the management at year end. As a result of restrictions and lockdown situation due to Covid-19, management was able to perform physical verification of inventory at certain locations, subsequent to the year end.</p>	<p>We performed the following audit procedures:</p> <p>We were not able to physically observe the verification of inventory that was carried out by the management at a date subsequent to the year end. We have relied on the reports shared by the Internal Auditor for the locations where the physical inventory verification was conducted subsequent to the year end.</p> <p>Consequently, we have performed alternative procedures (which include reviewing the reports of cyclical counts performed by the management during the year, roll forward procedures, checking the documentation with respect to purchase, consumption and sale of inventory if any) to audit the existence of Inventory as per the guidance provided in SA-501 "Audit Evidence Specific Consideration for Selected Items" and have obtained sufficient audit evidence.</p> <p>We have also performed analytical procedures for reasonableness of the value of stock at year end.</p>

**5. Other Information (Information other the consolidated financial statements and Auditor's report thereon)**

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.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated 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 consolidated 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 those charged with governance and determine the actions under the applicable laws and regulations.

## 6. Responsibility of Management and those charged with Governance for the Consolidated Financial Statements

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, 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 Board of Directors 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.

## 7. 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated 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 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.

## 8. Other Matters

- (a) We did not audit the financial statements, in respect of twenty one subsidiaries, whose Ind AS financial statements include total assets of ₹7,83,294.15/- lakhs, as at March 31, 2020; total revenues of ₹5,27,641.20/- lakhs and net cash inflows of ₹36,124.84/- lakhs for year ended on

that date as considered in the consolidated financial statements.

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 and 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 and other financial information in respect of two subsidiaries, whose Ind AS Financial Statements and other financial information include total assets of ₹10,530.06/- Lakhs as at March 31, 2020, total revenues of ₹ 852.01/- Lakhs and net cash inflows amounting to ₹36.52/- 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.
- (c) The Financial statements and other financial information in respect of seven subsidiaries whose Ind AS financial statements and other financial information include total assets of ₹1,05,578.06 lakh as at March 31, 2020; total revenues of ₹ 20,313.01 lakhs and net cash inflows of ₹ 10,506.17 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 Mukund M. Chitale & Co.

The Financial Statements and other financial information in respect of one associate company includes the Group's share of profit of ₹ 67.31 lakhs and Group's share of total comprehensive profit of ₹ 67.31 lakhs for the year ended March 31, 2020, as considered in the consolidated financial statements, have been audited by one of the joint auditors, M/s Mukund M. Chitale & Co.

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.

### 9. Report on Other Legal and Regulatory Requirements

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 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, 2020, taken on record by the Board of Directors of the Holding company and the report of the Statutory Auditors of its subsidiary companies and associate companies, none of the directors of the Group companies, its associate companies, is disqualified as on March 31, 2020, 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 Company has disclosed the impact of pending litigations on the consolidated financial position of the Group, its, associates in its consolidated financial statements 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, 2020.

**For Mukund M. Chitale & Co.**

Chartered Accountants  
Firm Registration No. 106655W

**(S.M. Chitale)**

Partner  
M. No. 111383  
UDIN: 20111383AAAADX3423

Place: Mumbai  
Date: 29.05.2020

**For MSG & Associates**

Chartered Accountants  
Firm Registration No. 010254C

**(Geeta Rajani)**

Partner  
M. No. 076889  
UDIN: 20076889AAAAAR9987

Place: Bhopal  
Date: 29.05.2020

## 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 9 (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, 2020 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, 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 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 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 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 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

#### For Mukund M. Chitale & Co.

Chartered Accountants  
Firm Registration No. 106655W

#### (S.M. Chitale)

Partner  
M. No. 111383  
UDIN: 20111383AAAADX3423

Place: Mumbai  
Date: 29.05.2020

#### For MSG & Associates

Chartered Accountants  
Firm Registration No. 010254C

#### (Geeta Rajani)

Partner  
M. No. 076889  
UDIN: 20076889AAAAAR9987

Place: Bhopal  
Date: 29.05.2020

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 reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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 subsidiary companies and one 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.

# Consolidated Balance Sheet

as at 31<sup>st</sup> March 2020

(₹ In Lakhs)

	Particulars	Notes	31 March 2020	31 March 2019
	<b>ASSETS</b>			
<b>(1)</b>	<b>Non-current assets</b>			
	(a) Property, plant and equipment	2.1	2,02,149.53	2,06,139.44
	(b) Capital work in progress	2.2	2,83,952.88	2,73,583.08
	(d) Goodwill		588.14	-
	(d) Other Intangible assets	2.3	88,081.71	96,953.36
	(e) Financial assets			
	(i) Investments	3	862.33	1,348.19
	(ii) Trade receivables	4	2,42,800.68	78,920.88
	(iii) Others	7	35,023.10	29,168.04
	(f) Deferred tax assets	16	1,562.03	-
	(g) Other non-current asset	9	54,799.56	76,645.65
	<b>Total Non-Current Assets</b>		<b>9,09,819.96</b>	<b>7,62,758.64</b>
<b>(2)</b>	<b>Current assets</b>			
	(a) Inventories	5	2,64,548.83	2,50,443.32
	(b) Financial assets			
	(i) Investments	3	1.68	5,410.17
	(ii) Trade receivables	4	1,15,797.82	1,16,190.93
	(iii) Cash and cash equivalent	6	78,859.02	52,109.34
	(iv) Loans	8	19,643.57	4,001.28
	(v) Others	7	54,506.42	44,709.50
	(c) Current Tax Asset (Net)		15,145.99	3,244.66
	(d) Other current assets	9	2,14,959.30	2,03,838.19
	<b>Total Current Assets</b>		<b>7,63,462.63</b>	<b>6,79,947.39</b>
	Assets held-for-sale / Assets included in disposal group(s) held-for-sale		-	1,169.89
	<b>TOTAL ASSETS</b>		<b>16,73,282.59</b>	<b>14,43,875.92</b>
	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Equity share capital	10a	13,676.98	13,676.98
	(b) Other equity	10b	3,05,218.20	2,66,920.38
	(c) Non Controlling Interest		11,458.35	2,882.23
	<b>Total Equity</b>		<b>3,30,353.53</b>	<b>2,83,479.59</b>
	<b>Liabilities</b>			



(₹ In Lakhs)

	Particulars	Notes	31 March 2020	31 March 2019
<b>(1)</b>	<b>Non-current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	11	5,98,549.99	4,82,019.25
	(ii) Other financial liabilities	13	3,541.81	29.13
	(b) Provisions	14	13,739.26	11,367.51
	(c) Deferred tax liabilities	16	-	2,539.00
	(d) Other non-current liabilities	15	81,064.11	74,841.65
	<b>Total Non-Current Liabilities</b>		<b>6,96,895.17</b>	<b>5,70,796.54</b>
<b>(2)</b>	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	11	2,36,310.83	2,13,013.09
	(ii) Trade payable			
	(a) total outstanding dues of micro enterprises and small enterprises;	12	4,460.77	3,511.46
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises;	12	1,60,963.49	1,70,599.60
	(iii) Other financial liabilities	13	94,994.89	67,676.44
	(b) Other current liabilities	15	1,45,723.06	1,05,680.52
	(c) Provisions	14	1,571.29	1,217.58
	(d) Current Tax Liability (Net)		2,009.56	323.05
	<b>Total Current Liabilities</b>		<b>6,46,033.89</b>	<b>5,62,021.74</b>
	Liabilities classified as held for sale / Liabilities included in disposal group held-for-sale		-	27,578.05
	<b>Total Liabilities</b>		<b>13,42,929.06</b>	<b>11,60,396.33</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>16,73,282.59</b>	<b>14,43,875.92</b>

The Notes on Account form integral part of the Financial Statements

1 to 52

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)** **(Abhishek Shrivastava)**  
Chief Financial Officer Company Secretary

Place: Mumbai  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

# Consolidated Statement of Profit and Loss

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

	Particulars	Notes	For the year ended 31 <sup>st</sup> March 2020	For the Year ended 31 <sup>st</sup> March, 2019
I	Revenue from Operations	17	9,72,488.65	9,41,584.30
II	Other income	18	3,766.63	4,731.17
<b>III</b>	<b>Total Income (I+II)</b>		<b>9,76,255.28</b>	<b>9,46,315.47</b>
IV	Expenses			
	Cost of construction	19	7,08,335.92	7,23,261.60
	Changes in inventories	20	11,756.68	(3,258.08)
	Employee benefits expense	21	19,937.50	17,876.79
	Finance costs	22	1,13,560.22	87,186.13
	Depreciation and amortization expense	2	47,047.57	36,219.50
	Other expenses	23	25,708.22	27,206.16
	<b>Total expenses (IV)</b>		<b>9,26,346.11</b>	<b>8,88,492.10</b>
V	Profit before exceptional items and tax (III-IV)		49,909.17	57,823.37
VI	Exceptional items	42	6,985.94	(157.60)
<b>VII</b>	<b>Profit before tax (V) + (VI)</b>		<b>56,895.11</b>	<b>57,665.77</b>
VIII	Tax expenses			
	(1) Current tax		19,935.28	12,974.60
	(2) Deferred tax charge/(credit)	16	(3,729.48)	(9,679.16)
	(3) Income tax for earlier years		215.01	-
<b>IX</b>	<b>Profit for the year from continuing operations (VII - VIII)</b>		<b>40,474.30</b>	<b>54,370.33</b>
X	Share of Profit of Associates		67.31	374.31
<b>XI</b>	<b>Profit for the year (IX+X)</b>		<b>40,541.61</b>	<b>54,744.64</b>
<b>XII</b>	<b>Other Comprehensive Income</b>			
	A (i) Items that will not be reclassified to profit or loss	24	271.39	(80.82)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	24	(93.16)	(28.24)
	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		-	-
<b>XIII</b>	<b>Total Comprehensive Income for the year (XI + XII)</b>		<b>40,719.84</b>	<b>54,635.58</b>
<b>XIV</b>	<b>Profit for the year attributable to</b>			
	Owners of the Parent		35,776.19	55,230.85
	Non Controlling Interest		4,765.42	(486.21)
<b>XV</b>	<b>Total Comprehensive Income for the year attributable to</b>			
	Owners of the Parent		35,954.42	55,121.79
	Non Controlling Interest		4,765.42	(486.21)
<b>XVI</b>	<b>Earnings per equity share (for continuing operations)</b>	<b>27</b>		
	(1) Basic		29.64	40.03
	(2) Diluted		29.64	40.03

The Notes on Account form integral part of the Financial Statements

1 to 52

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: Mumbai  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

## Consolidated Cash Flow Statement

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit before Tax as per Statement of Profit and Loss</b>	<b>56,895.11</b>	<b>57,665.77</b>
Adjustments for:		
Depreciation	47,047.57	36,219.50
Interest income	(3,553.40)	(1,935.91)
(Profit)/Loss on Sale of Fixed Assets	(61.59)	(11.36)
Interest Expense	1,13,560.22	87,186.13
Provision for Doubtful Debts	3,500.00	11,000.00
Remeasurements gains / ( losses) on post-employment benefits	271.39	(80.82)
Profit on sale of Investment	260.09	157.60
<b>Operating Profit Before Working Capital changes</b>	<b>2,17,919.37</b>	<b>1,90,200.92</b>
Working Capital Changes:		
(Increase)/Decrease in Current and Non- Current Assets	(2,03,567.49)	(1,55,646.81)
Increase/(Decrease) in Current and Non Current Liabilities	7,514.72	90,328.91
Increase/(Decrease) in Provisions	2,725.46	5,268.53
<b>Cash generated from operations</b>	<b>24,592.06</b>	<b>1,30,151.55</b>
Income tax paid	(20,190.68)	(13,203.80)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES (TOTAL A)</b>	<b>4,401.38</b>	<b>1,16,947.75</b>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES:</b>		
Purchase of Fixed Assets	(5,08,610.25)	(5,42,241.60)
Sale of Fixed Assets / Adjustment	4,70,410.97	2,96,015.48
Interest Received	3,553.40	1,935.91
Purchase of Investments	6,804.16	(6,915.96)
<b>NET CASH USED IN INVESTING ACTIVITIES (TOTAL B)</b>	<b>(27,841.72)</b>	<b>(2,51,206.17)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
(Repayment) / Proceeds of / from Long Term Borrowings (net)	1,16,530.74	1,88,162.77
(Repayment) / Proceeds of / from Short Term Borrowings (net)	23,297.74	33,227.72
(Repayment) / Proceeds of / from Current Maturities of Long Term Borrowings (net)	25,570.60	24,357.24

(₹ In Lakhs)

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Interest paid	(1,13,560.22)	(87,186.13)
Dividend Paid	(1,648.83)	(1,648.83)
<b>NET CASH USED IN FINANCING ACTIVITIES: (TOTAL C)</b>	<b>50,190.03</b>	<b>1,56,912.77</b>
<b>Net Increase/(Decrease) of Cash &amp; Cash Equivalents (A+B+C)</b>	<b>26,749.68</b>	<b>22,654.34</b>
<b>Add: Cash &amp; Cash Equivalents at the beginning of the year</b>	<b>52,109.34</b>	<b>29,455.00</b>
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>78,859.02</b>	<b>52,109.34</b>
<b>Closing Cash and Cash Equivalents</b>		
Cash in Hand	701.19	337.51
Bank Balance with Scheduled Banks		
in Current Account	31,942.68	21,064.82
in Fixed Deposit Account	46,215.16	30,707.01
	<b>78,859.02</b>	<b>52,109.34</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 52

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

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Director  
DIN: 07072768

**(Radhey Shyam Garg)**  
Chief Financial Officer

**(Abhishek Shrivastava)**  
Company Secretary

Place: Mumbai  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

# Consolidated Statement of changes in equity

for the year ended 31<sup>st</sup> March 2020

## A. Equity share capital

(₹ In Lakhs)

Particulars	Amount (₹)
<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>
Changes in equity share capital during the year 2019-20	-
<b>Balance as on 31 March 2020</b>	<b>13,676.98</b>

## B. Other equity

(₹ In Lakhs)

Particulars	Reserves and Surplus				Total
	Securities Premium	Retained Earnings	Debenture Redemption Reserve	Loan Redemption Reserve	
<b>Balance as on 31 March 2018</b>	<b>42,293.54</b>	<b>1,56,640.09</b>	<b>15,000.00</b>		<b>2,13,933.63</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)
<b>Balance as on 31 March 2019</b>	<b>42,293.54</b>	<b>2,09,626.84</b>	<b>15,000.00</b>	<b>-</b>	<b>2,66,920.38</b>
Profit for the year		40,541.61	-	-	40,541.61
Other comprehensive income (net of tax)		178.23	-	-	178.23
On account of acquisition of shares		(185.26)	-	-	(185.26)
Dividends		(1,367.70)	-	-	(1,367.70)
Impact of Ind AS 116		(865.23)	-	-	(865.23)
Tax on dividend		(281.13)	-	-	(281.13)
Transfer to Loan Redemption Reserve		(2,817.79)	-	2,817.79	-
Others		277.30	-	-	277.30
<b>Balance as on 31 March 2020</b>	<b>42,293.54</b>	<b>2,45,106.87</b>	<b>15,000.00</b>	<b>2,817.79</b>	<b>3,05,218.20</b>

The notes referred to above form an integral part of financial statements 1 to 52

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

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Director  
DIN: 07072768

**(Radhey Shyam Garg)**  
Chief Financial Officer

**(Abhishek Shrivastava)**  
Company Secretary

Place: Mumbai  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

## 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 31<sup>st</sup> March 2020 were approved for issue in accordance with the resolution of the Board of Directors on 29<sup>th</sup> May 2020.

### 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

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 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

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

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.

### List of Subsidiaries/Associates

Sr. no.	Name of the Group	Principal Place of Business	Proportion of Ownership Interest (31 March 2020)	Proportion of Ownership Interest (31 March 2019)
	<b>Subsidiaries</b>			
1	Jalpa Devi Tollways Ltd	India	51.00%	100.00%
2	DBL Hassan Periyapatna Tollways Ltd	India	100.00%	100.00%
3	DBL Hirekerur Ranibennur Tollways Ltd	India	100.00%	100.00%
4	DBL Mundargi Harapanahalli Tollways Ltd	India	100.00%	100.00%
5	DBL Lucknow Sultanpur Highways Ltd	India	51.00%	100.00%
6	DBL Tuljapur Ausa Highways Ltd	India	51.00%	51.00%
7	DBL Kalmath Zarap Highways Ltd	India	100.00%	100.00%
8	DBL Chandikhole Bhadrak Highways Pvt Ltd	India	100.00%	100.00%
9	DBL Mahagaon Yavatmal Highways Pvt Ltd	India	100.00%	100.00%
10	DBL Yavatmal Wardha Highways Pvt Ltd	India	51.00%	100.00%
11	DBL Wardha Butibori Highways Pvt Ltd	India	100.00%	100.00%
12	DBL VPR Mining Pvt Ltd	India	74.00%	74.00%
13	DBL Anandapuram Anakapally High Pvt Ltd	India	100.00%	100.00%
14	DBL Bangalore Nigagatta High Pvt Ltd	India	100.00%	100.00%
15	DBL Borgaon Watambare Highway Pvt Ltd	India	100.00%	100.00%
16	DBL Byrapura Challakere High.Pvt Ltd	India	100.00%	100.00%



## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

Sr. no.	Name of the Group	Principal Place of Business	Proportion of Ownership Interest (31 March 2020)	Proportion of Ownership Interest (31 March 2019)
17	DBL Gorhar Khairatunda High Pvt Ltd	India	100.00%	100.00%
18	DBL Mangalwedha Solapur Highways Pvt Ltd	India	100.00%	100.00%
19	DBL Manglore Highways Pvt Ltd	India	100.00%	100.00%
20	DBL Nidagatta Mysore Highways Pvt Ltd	India	100.00%	100.00%
21	DBL Rewa Sidhi Highways Pvt Ltd	India	100.00%	100.00%
22	DBL Sangli Borgaon Highways Pvt Ltd	India	100.00%	100.00%
23	DBL Bellary Byrapura Highways Pvt Ltd	India	100.00%	100.00%
24	DBL Pachwara Coal Mine Pvt Ltd	India	74.00%	74.00%
25	Bhavya Infra & Systems Pvt Ltd	India	100.00%	100.00%
26	Jalpa Devi Engineering Pvt Ltd	India	100.00%	100.00%
27	Deevin Sesmic Systems Pvt Ltd	India	100.00%	-
28	DBL Hata Dargawon Tollways Ltd	India	100.00%	100.00%
29	DBL Patan Rehli Tollways Ltd	India	51.10%	51.10%
30	DBL Betul Sarni Tollways Ltd	India	100.00%	100.00%
31	Suryavanshi Infrastructure Pvt. Ltd	India	-	100.00%
	<b>Associate</b>			
1	DBL Nadiad Modasa Tollways Ltd	India	26.00%	26.00%
2	DBL Ashoknagar Vidisha Tollways Ltd	India	-	30.00%

### 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 and Depreciation

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.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

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).

## 1.9 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.

### (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

Investments in Subsidiaries, Associates and Joint Ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

## 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

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

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.

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

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

- 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.

## 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

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

## 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.

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.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

## 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 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

## 1.19 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 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.

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

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

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.

### Appendix C to Ind AS 12 Uncertainty over Income Tax Treatments:

The interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

The Company has determined whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty has been followed. In determining the approach that better predicts the resolution of the uncertainty, the Company considers, for example, (a) how it prepares its income tax filings and supports tax treatments; or (b) how the Company expects the taxation authority to make its examination and resolve issues that might arise from that examination.

The amendment is effective from April 1, 2019. The Company has evaluated the effect of Ind AS 12 amendment on the financial statements and concluded that there is no material impact on the retained earnings and on its profit for the year ended March 31, 2020.

## 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



## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

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.

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for the year ended 31<sup>st</sup> March 2020

## Note 2.1: Property, Plant and Equipment Year ended 31 March 2020

(₹ In Lakhs)

Sr. no	Description of Assets	GROSS BLOCK			DEPRECIATION				WRITTEN DOWN VALUE		
		As at 01/04/2019	Additions	Deductions	As at 31/03/2020	As at 01/04/2019#	For the year	Deductions	As at 31/03/2020	As at 31/03/2020	As at 31/03/2019
A	Tangible* #										
1	Freehold Land	10,844.94	645.62	-	11,490.56	-	-	-	-	11,490.56	10,844.94
2	Leasehold Land	340.48			340.48		5.32		5.32	335.16	340.48
3	Residential Flat	16.59	-	-	16.59	1.45	0.28	-	1.73	14.86	15.14
4	Office Building	541.39	-	-	541.39	34.32	20.80	-	55.12	486.27	507.07
5	Factory Building	58.67			58.67	38.17	0.71		38.88	19.79	20.50
6	Computer & Printer	1,733.81	426.98	-	2,160.79	1,162.24	400.52	-	1,562.76	598.03	571.57
7	Plant & Machinery	3,15,592.25	25,765.21	1,934.56	3,39,422.90	1,28,819.96	35,190.87	1,606.39	1,62,404.44	1,77,018.46	1,86,772.29
8	Office Equipments	4,634.83	3,212.68	3.15	7,844.36	1,104.11	1,318.25	2.46	2,419.90	5,424.46	3,530.72
9	Vehicles	4,233.60	575.57	16.51	4,792.66	1,703.86	520.03	15.05	2,208.84	2,583.82	2,529.74
10	Furniture & Fixtures	1,251.93	609.19	-	1,861.12	280.38	183.27	-	463.65	1,397.47	971.54
11	Vessel	449.50	-	-	449.50	34.40	15.90	-	50.30	399.20	415.10
12	Right-of-use Assets	15,722.10	-	-	15,722.10	9,306.11	4,034.54	-	13,340.65	2,381.45	-
		<b>3,55,420.09</b>	<b>31,235.25</b>	<b>1,954.22</b>	<b>3,84,701.12</b>	<b>1,42,485.00</b>	<b>41,690.49</b>	<b>1,623.90</b>	<b>1,82,551.59</b>	<b>2,02,149.53</b>	<b>2,06,159.10</b>
	Previous Year	2,85,617.67	53,900.94	318.28	3,39,200.33	1,01,376.56	31,893.77	209.44	1,33,060.89	2,06,139.44	

\* 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

# The opening Gross Block and Accumulated Depreciation as on 01/04/2019 contains the value of Gross Block and Accumulated Depreciation amounting to ₹ 497.66 Lakhs and ₹ 118.00 Lakhs respectively pertaining to Deevin Siesmic Systems Pvt Ltd which is acquired during the financial year

## Note 2.2: Capital Work in progress Year ended 31 March 2020

(₹ In Lakhs)

Sr. no	Description of Assets	GROSS BLOCK			DEPRECIATION				WRITTEN DOWN VALUE		
		As at 01/04/2019	Additions	Deductions	As at 31/03/2020	As at 01/04/2019	For the year	Deductions	As at 31/03/2020	As at 31/03/2020	As at 31/03/2019
1	Financial Asset in Progress	2,70,704.88	4,73,422.35	4,66,518.99	2,77,608.25	-	-	-	-	2,77,608.25	2,70,704.88
2	Cap WIP - Factory Building #	2,878.20	3,569.93	103.50	6,344.63	-	-	-	-	6,344.63	2,878.20
		<b>2,73,583.08</b>	<b>4,76,992.28</b>	<b>4,66,622.49</b>	<b>2,83,952.88</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,83,952.88</b>	<b>2,73,583.08</b>
	Previous Year	84,828.39	3,94,638.13	2,05,883.44	2,73,583.08	-	-	-	-	2,73,583.08	84,828.39

# The Gross Block contains the value amounting to ₹ 1,468.06 Lakhs pertaining to Deevin Siesmic Systems Pvt Ltd which is acquired during the financial year

# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

## Note 2.3: Other Intangible Assets Year ended 31 March 2020

(₹ In Lakhs)

Sr. no	Description of Assets	GROSS BLOCK				DEPRECIATION				WRITTEN DOWN VALUE	
		As at 01/04/2019	Additions	Deductions	As at 31/03/2020	As at 01/04/2019	For the year	Deductions	As at 31/03/2020	As at 31/03/2020	As at 31/03/2019
1	Computer Software	3,977.47	5.18	-	3,982.65	570.09	762.07	-	1,332.16	2,650.49	3,407.39
2	Toll Rights	1,01,872.55	-	4,904.49	96,968.06	8,326.58	4,595.00	1,384.74	11,536.84	85,431.22	93,545.97
		<b>1,05,850.02</b>	<b>5.18</b>	<b>4,904.49</b>	<b>1,00,950.71</b>	<b>8,896.67</b>	<b>5,357.07</b>	<b>1,384.74</b>	<b>12,869.00</b>	<b>88,081.71</b>	<b>96,953.36</b>
	Previous Year	24,745.79	87,210.97	6,106.73	1,05,850.02	4,570.93	4,325.73	-	8,896.67	96,953.36	20,174.85

## Note 3: Investment

Year ended 31 March 2020

(₹ in Lakhs)

	Particulars	31 March 2020	31 March 2019
	<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 ₹ 10/- each	812.33	1,298.19
		<b>812.33</b>	<b>1,298.19</b>
<b>(B)</b>	<b>Equity shares of Other company</b>		
(i)	5,00,000 equity shares of Aarneel Technocrafts Pvt Ltd of ₹ 10/- each	50.00	50.00
		<b>50.00</b>	<b>50.00</b>
	<b>Total Non-Current</b>	<b>862.33</b>	<b>1,348.19</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 ₹ 10/- each (P.Y. 48,00,100 equity shares of ₹ 10/- each)	-	240.00
(ii)	30,00,000 equity shares of DBL Jaora Sailana Tollways Limited of ₹ 10/- each (P.Y. 60,00,100 equity shares of ₹ 10/- each)	-	300.00
(iii)	1,50,000 equity shares of DBL Mundi Sanawad Tollways Limited of ₹ 10/- each (P.Y. 3,00,100 equity shares of ₹ 10/- each)	-	315.71
(iv)	37,500 equity shares of DBL Sardarpur Badnawar Tollways Limited of ₹ 10/- each (P.Y. 75,100 equity shares of ₹ 10/- each)	-	150.06

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ in Lakhs)

	Particulars	31 March 2020	31 March 2019
(v)	1,50,000 equity shares of DBL Silwani Sultanganj Tollways Limited of ₹ 10/- each (P.Y. 3,00,100 equity shares of ₹ 10/- each)	-	315.71
(vi)	11,62,500 equity shares of DBL Sitamau Suwasara Tollways Limited of ₹ 10/-each (P.Y. 23,25,100 equity shares of ₹ 10/- each)	-	116.26
(vii)	59,88,100 equity shares of DBL Ashoknagar Vidisha Tollways Limited of ₹ 10/- each (P.Y. 59,88,100 equity shares of ₹ 10/- each)	-	597.64
(viii)	48,00,000 equity shares of DBL Uchera Nagod Tollways Limited of ₹ 10/- each (P.Y. 96,00,100 equity shares of ₹ 10/- each)	-	480.01
		-	<b>2,515.37</b>
	Less: Adjustment arising out of consolidation	-	1,345.48
		-	<b>1,169.89</b>
	<b>Total Non-Current (A+B+C)</b>	<b>862.33</b>	<b>2,518.08</b>
	<b>Current</b>		
<b>(A)</b>	<b>Quoted</b>		
	<b>Investment in Mutual Funds carried at Fair Value through profit or loss</b>		
(i)	87,956 Units of Union Mutual Funds (P.Y. 49,04,489.24 units of L&T Money Market Fund-Growth Plan)	1.68	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>1.68</b>	<b>5,410.17</b>
	<b>Total</b>	<b>864.01</b>	<b>7,928.25</b>

### Note 4: Trade Receivables

(₹ in Lakhs)

	Particulars	31 March 2020	31 March 2019
	<b>Non Current</b>		
<b>(i)</b>	<b>Trade Receivable - Others</b>		
	(a) Trade Receivables considered good - Secured	-	-
	(b) Trade Receivables considered good - Unsecured	2,42,800.68	78,920.88
	(c) Trade Receivables which have significant risk in Credit Risk	-	-

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
(d) Trade Receivables - credit impaired	-	-
Less: Allowance for Doubtful debt		
<b>Total Non-Current</b>	<b>2,42,800.68</b>	<b>78,920.88</b>
<b>Current</b>		
<b>(i) Trade Receivable - Related Party</b>		
(a) Trade Receivables considered good - Secured	-	-
(b) Trade Receivables considered good - Unsecured	15,325.30	9,822.20
(c) Trade Receivables which have significant risk in Credit Risk	-	-
(d) Trade Receivables - credit impaired	-	-
	<b>15,325.30</b>	<b>9,822.20</b>
<b>(ii) Trade Receivable - Others</b>		
(a) Trade Receivables considered good - Secured	-	-
(b) Trade Receivables considered good - Unsecured	1,00,472.52	1,06,368.73
(c) Trade Receivables which have significant risk in Credit Risk	-	-
(d) Trade Receivables - credit impaired	27,750.00	24,250.00
	<b>1,28,222.52</b>	<b>1,30,618.73</b>
Less: Allowance for bad and doubtful debts	27,750.00	24,250.00
<b>Total Current</b>	<b>1,15,797.82</b>	<b>1,16,190.93</b>
<b>Total</b>	<b>3,58,598.50</b>	<b>1,95,111.81</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:

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Balance at the beginning of the year	24,250.00	13,250.00
Add: Provision made during the year	3,500.00	11,000.00
Balance at the end of the year	27,750.00	24,250.00

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### Note 5: Inventories

(₹ in Lakhs)

	Particulars	31 March 2020	31 March 2019
(i)	Raw Materials and Consumables	2,59,364.25	2,33,502.06
(ii)	Finished Goods	45.32	-
(iii)	Work In Progress	5,139.26	16,941.26
	<b>Total</b>	<b>2,64,548.83</b>	<b>2,50,443.32</b>

### Note 6: Cash And Cash Equivalents

(₹ in Lakhs)

	Particulars	31 March 2020	31 March 2019
(i)	Cash on hand	701.19	337.51
(ii)	Balance with Banks	31,942.68	21,064.82
(iii)	Fixed deposit accounts*	58,866.48	38,576.18
		91,510.35	59,978.51
	Less: Fixed Deposits having maturity more than a year shown under Other Financial Assets (Note 7)	12,651.33	7,869.17
	<b>Total</b>	<b>78,859.02</b>	<b>52,109.34</b>

6.1 \* Includes Fixed Deposits of ₹ 35,318.40/- lakhs (P.Y. - ₹ 21,379.82/- lakhs) which have been kept as margin money for Bank Guarantee/Letter of Credit availed from bank and ₹ 1,479.46/- lakhs (P.Y. - ₹ 1,395.79/- lakhs) which have been kept as Collateral Security for various facilities availed from the bank.

### Note 7: Other Financial Assets

(₹ in Lakhs)

	Particulars	31 March 2020	31 March 2019
	<b>Non-Current</b>		
	<b>Unsecured, considered good</b>		
(i)	Security deposits*	22,371.77	21,298.87
(ii)	Bank Deposits with more than 12 Months maturity (Note 6)	12,651.33	7,869.17
	<b>Total Non-current</b>	<b>35,023.10</b>	<b>29,168.04</b>
	<b>Current</b>		
(i)	Advance Recoverable in cash or kind	131.23	232.95
(ii)	Unbilled Revenue	54,375.19	44,476.55
	<b>Total current</b>	<b>54,506.42</b>	<b>44,709.50</b>
	<b>Total</b>	<b>89,529.52</b>	<b>73,877.54</b>

\* Includes ₹ 450.00/- lakhs (P.Y. ₹ 6,676.14/- lakhs) receivable from related parties

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### Note 8: Loans

(₹ In Lakhs)

	Particulars	31 March 2020	31 March 2019
	<b>Current</b>		
<b>(a)</b>	<b>Loans to Related Parties</b>		
	(a) Loans Receivables considered good - Secured	-	-
	(b) Loans Receivables considered good - Unsecured	14,962.65	55.20
	(c) Loans Receivables which have significant risk in Credit Risk	-	-
	(d) Loans Receivables - credit impaired	-	-
		<b>14,962.65</b>	<b>55.20</b>
<b>(b)</b>	<b>Loans to Others</b>		
	(a) Loans Receivables considered good - Secured	-	-
	(b) Loans Receivables considered good - Unsecured	4,680.92	3,946.08
	(c) Loans Receivables which have significant risk in Credit Risk	-	-
	(d) Loans Receivables - credit impaired	-	-
		<b>4,680.92</b>	<b>3,946.08</b>
	<b>Total</b>	<b>19,643.57</b>	<b>4,001.28</b>

8.1 The company has given interest free loan to its related parties as per the exemption available to the company u/s 186(11) of the Companies Act 2013 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'.

8.4 Disclosure pursuant to section 186 of the Companies Act, 2013:

#### (a) Loan to Related Parties

Sr. No.	Particulars	Outstanding Balance	
		31 March 2020	31 March 2019
1	DBL-SRBG(JV)	29.08	-
2	VALECHA-DILIP(JV)	0.44	-
3	Shrem Infraventure Pvt Ltd	14,933.13	-
4	DBL -Varaha Infra Limited JV	-	1.10
5	Genex Hotels Pvt Ltd	-	54.10
	<b>Total</b>	<b>14,962.65</b>	<b>55.20</b>

#### (b) Loan to Others

Sr. No.	Particulars	Outstanding Balance	
		31 March 2020	31 March 2019
1	Dilip Mass Communication Pvt Ltd	536.51	536.52
2	Aarneel Technocrafts Pvt Ltd	1,937.41	2,306.63
3	Shrem Tollways Pvt Ltd	2,207.00	-

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

Sr. No.	Particulars	Outstanding Balance	
		31 March 2020	31 March 2019
4	DBL Sardarpur Badnawar Tollways Ltd	-	1,081.00
5	DBL Bankhlafata Dogawa Tollways Ltd	-	21.93
	<b>Total</b>	<b>4,680.92</b>	<b>3,946.08</b>

### Note 9: Other Assets

(₹ In Lakhs)

	Particulars	31 March 2020	31 March 2019
	<b>Non-current</b>		
	<b>Unsecured, considered good</b>		
(i)	Capital advances	4,163.85	10,597.25
(ii)	Advances other than capital advances		
(a)	Other Advances*	1,658.80	2,747.91
(b)	Retention Money, Withheld Money, Security & Other Deposits#	79,102.07	90,262.45
	Less: Current portion	66,351.45	74,221.23
		<b>12,750.62</b>	<b>16,041.22</b>
(c)	Performance security deposit	-	1,073.56
	Less: Current portion	-	-
		-	<b>1,073.56</b>
(iii)	MAT Credit Entitlement	36,226.29	46,185.71
	<b>Total Non-current</b>	<b>54,799.56</b>	<b>76,645.65</b>
	<b>Current</b>		

	Particulars	31 March 2020	31 March 2019
(i)	Retention Money, Withheld Money, Security & Other Deposits	66,351.45	74,221.23
(ii)	Advance to Suppliers/ Creditors	52,007.52	60,656.44
(iii)	Other Advances	30.57	693.88
(iv)	Deposit with Govt Authorities	90,270.46	64,573.50
(v)	Staff Advance	726.02	1,096.99
(vi)	Prepaid Expenses	5,573.28	2,596.15
	<b>Total Current</b>	<b>2,14,959.30</b>	<b>2,03,838.19</b>
	<b>Total</b>	<b>2,69,758.86</b>	<b>2,80,483.84</b>

\* Includes ₹ 509.32/- lakhs (P.Y. ₹ 1,040.51/- lakhs) receivable from related parties.

# Includes ₹ 8,700.12/- lakhs (P.Y. ₹ 14,919.99/- lakhs) receivable from related parties.

### Note 10 (a): Equity Share Capital

(₹ In Lakhs)

	Particulars	31 March 2020	31 March 2019
	Authorised shares		
	16,00,00,000 Equity Shares of ₹10 each	16,000.00	16,000.00
	(P.Y. 16,00,00,000 Equity Shares of ₹10/- each)		
		16,000.00	16,000.00
	Issued, subscribed and fully paid-up shares		
	13,67,69,768 Equity Shares of ₹10 each	13,676.98	13,676.98
	(P.Y. 13,67,69,768 Equity Shares of ₹10/- each)		
	<b>Total</b>	<b>13,676.98</b>	<b>13,676.98</b>



## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### A) Terms/rights attached to equity shares

- The Company has one class of shares referred to as Equity Shares having face values of ₹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:

(₹ In Lakhs)

Particulars	31 March 2020		31 March 2019	
	Numbers	Amount	Numbers	Amount
At the beginning of the period	13,67,69,768	13,676.98	13,67,69,768	13,676.98
Fresh Issue	-	-	-	-
Outstanding at the end of the period	13,67,69,768	13,676.98	13,67,69,768	13,676.98

### C) Details of shareholders holding more than 5% shares in the Company

Particulars	31 March 2020		31 March 2019	
	Numbers	% of holding	Numbers	% of holding
Equity shares of ₹ 10 each fully paid				
Mr. Dilip Suryavanshi	5,51,07,987	40.29%	5,56,73,487	40.71%
Mrs. Seema Suryavanshi	1,19,04,200	8.70%	1,19,04,200	8.70%
Mr. Devendra Jain	3,55,59,072	26.00%	3,58,63,572	26.22%

### Note 10 (b): Other Equity

#### i. Securities Premium\*

Particulars	31 March 2020	31 March 2019
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 2020	31 March 2019
Balance at the beginning of the year	2,09,626.84	1,56,640.09
- Profit for the year	40,541.61	54,744.64
- Other comprehensive income (net of tax)	178.23	(109.06)
- Proposed Dividend and tax on same	(1,648.83)	(1,648.83)
- On account of acquisition of shares	(185.26)	-
- Impact of Ind AS 116	(865.23)	-
- Other Change	277.30	-
- Transfer to Loan Redemption Reserve	(2,817.79)	-
<b>Balance at the end of the year</b>	<b>2,45,106.87</b>	<b>2,09,626.84</b>

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### iii. Debenture Redemption Reserve#

Particulars	31 March 2020	31 March 2019
Balance at the beginning of the year	15,000.00	15,000.00
- Transferred from Retained Earnings	-	-
<b>Balance at the end of the year</b>	<b>15,000.00</b>	<b>15,000.00</b>

### iv. Loan Redemption Reserve^

Particulars	31 March 2020	31 March 2019
Balance at the beginning of the year	-	-
- Transferred from Retained Earnings	2,817.79	-
<b>Balance at the end of the year</b>	<b>2,817.79</b>	<b>-</b>
<b>Balance of Other Equity at the end of the year</b>	<b>3,05,218.20</b>	<b>2,66,920.38</b>

\* Securities Premium: Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013

\*\*Retained Earnings: Retained earnings are the profits that the Company has earned till date, less dividends or other distributions paid to shareholders.

# Debenture Redemption Reserve: The Company has issued redeemable non-convertible debentures and created DRR out of the profits of the Company in terms of the Companies (Share capital and Debenture) Rules, 2014 (as amended). The Company was required to maintain a DRR of 25% of the value of debentures issued, either by a public issue or on a private placement basis. The amounts credited to the DRR is not to be utilised by the Company except to redeem debentures.

^ Loan Redemption Reserve: During the current year, the company has set aside ₹ 2817.79 lakhs towards Loan Redemption Reserve on account of loan amount repayable in the subsequent financial year. The treatment of LRR in computing Minimum Alternate Tax (MAT) is on the basis of technical advise obtained by the company.

### Note 11: Borrowings

(₹ In Lakhs)			
	Particulars	31 March 2020	31 March 2019
	<b>Non-current</b>		
<b>(i) Secured</b>			
	<b>Debentures</b>		
	8.90% 5100 Non Convertible Debentures of ₹10 Lacs each	51,000.00	60,000.00
		<b>51,000.00</b>	<b>60,000.00</b>
	<b>Term loans</b>		
(a)	From Banks	4,35,001.34	3,54,208.58
(b)	From financial institutions	1,83,692.57	1,05,979.39
		<b>6,18,693.91</b>	<b>4,60,187.97</b>
	Less: 'Current maturities of non-current borrowings (Note13)	71,147.55	45,576.94
		<b>5,47,546.36</b>	<b>4,14,611.03</b>
<b>(ii) Unsecured</b>			
	<b>Term loans</b>		
(a)	From Others	3.63	7,408.22
		<b>3.63</b>	<b>7,408.22</b>
	<b>Total Non-current borrowings</b>	<b>5,98,549.99</b>	<b>4,82,019.25</b>
	<b>Current</b>		
<b>(i) Secured</b>			
	<b>Loans Payable on Demand</b>		
(a)	From Banks	1,96,197.42	2,02,970.39
<b>(ii) Unsecured</b>			
(a)	From Related Parties	36,673.90	4,377.61
(b)	From Others	3,439.51	5,665.09
	<b>Total Current borrowings</b>	<b>2,36,310.83</b>	<b>2,13,013.09</b>
	<b>Total borrowings</b>	<b>8,34,860.82</b>	<b>6,95,032.34</b>

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

**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:**

- i. 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.
- ii. 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.
- iii. The details of redemption is as follows:

Series- III: 450 NCDs of ₹ 10,00,000 each	redeemable on 28-Jun-2020
Series -IV: 450 NCDs of ₹10,00,000 each	redeemable on 28-Sep-2020
Series -V: 450 NCDs of ₹ 10,00,000 each	redeemable on 28-Dec-2020
Series -VI: 450 NCDs of ₹ 10,00,000 each	redeemable on 28-Mar-2021
Series -VII: 450 NCDs of ₹ 10,00,000 each	redeemable on 28-Jun-2021
Series -VIII: 450 NCDs of ₹ 10,00,000 each	redeemable on 28-Sep-2021
Series -IX: 450 NCDs of ₹ 10,00,000 each	redeemable on 28-Dec-2021
Series -X: 450 NCDs of ₹ 10,00,000 each	redeemable on 28-Mar-2022
Series -XI : 500 NCDs of ₹ 10,00,000 each	redeemable on 28-Jun-2022
Series- XII: 500 NCDs of ₹ 10,00,000 each	redeemable on 28-Sep-2022
Series -XIII: 500 NCDs of ₹ 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 ₹ 21,750.70/- lakhs (P.Y. - ₹ 21,419.06/- 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/construction equipments.

**- The securities provided for the Term loan from Banks amounting to ₹ 8,964.70/- lakhs (P.Y. - ₹ 8,673.76/- 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 of the Company and Mr. Devendra Jain, the CEO of the Company; till the tenancy of loan.
- ii. Exclusive charge by way of hypothecation of the respective vehicles/construction equipments.

**- 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 ₹ Nil (P.Y. - ₹ 826.95/- 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 of the Company, till the tenancy of loan.
- ii. Exclusive charge by way of hypothecation of the respective vehicles/construction equipments.

**- The securities provided for the Term loan from Banks amounting to ₹ 1,862.55/- lakhs (P.Y. - ₹ 2,521.13/- lakhs) is as follows:**

- i. Exclusive charge by way of hypothecation of the respective vehicles/construction equipments.

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

- **The securities provided for the Term loan for Working Capital from Banks amounting to ₹ Nil (P.Y. - 59.78/- lakhs) is as follows:**
  - i. Charge by way of Hypothecation over Plant and Machinery / Construction Equipment
- **The securities provided for the Term loan from Banks amounting to ₹ Nil (P.Y. ₹ 8108.71/- lakhs (in respect of subsidiary company) is as follows:**
  - i. 1<sup>st</sup> Charge by way of Pledge of Equity Shares of the Project Company to the Satisfaction of the Bank.
  - ii. 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 assets) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.
  - iii. 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 ₹17310.00/- lakhs (P.Y.- ₹ 6042.37/- lakhs ) (in respect of subsidiary company) is as follows:**
  - i. 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.
  - ii. 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 assets) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.
- iii. 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 ₹ 17782.38/- lakhs (P.Y. ₹ 18989.20/- lakhs) (in respect of subsidiary company) is as follows:**
  - i. The holding company has pledged 30% shares with Bank of Baroda.
  - ii. 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 assets) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.
  - iii. 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 ₹ 6682.99/- lakhs (P.Y.- ₹ 7077.44/- lakhs) (in respect of subsidiary company) is as follows:**
  - i. Pledge of Equity Shares of the Project Company upto 30%.
  - ii. 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 assets) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

- iii. 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 ₹ 47726.89/- lakhs (P.Y.- ₹ 65311.25/- lakhs) (in respect of subsidiary company) is as follows:**
  - i. Pledge of Equity Shares of the Project Company upto 51%.
  - ii. 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.
  - iii. The loan is also secured by Corporate Guarantee of Dilip Buildcon Limited.
  - iv. The loan is also secured personal guarantee of directors of Shrem group i.e. Mr. Nitán Chhatwal and Mr. Hitesh Chhatwal. Further more, loan is secured by Corporate guarantee of Shrem Infrastructure Pvt Ltd
- **The securities provided for the Term loan from Banks amounting to ₹ 16019.56/- lakhs (P.Y.- ₹ 16943.14/- lakhs) (in respect of subsidiary company) is as follows:**
  - i. Pledge of Equity Shares of the Project Company upto 51%.
  - ii. 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.
- iii. 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.
- iv. The loan is also secured by Corporate guarantee of Shrem roadways Pvt Ltd
- **The securities provided for the Term loan from Banks amounting to ₹ 10832.52/- lakhs (P.Y. ₹ 12552.49/- lakhs ) (in respect of subsidiary company) is as follows:**
  - i. Pledge of Equity Shares of the Project Company upto 26%.
  - ii. 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.
  - iii. 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 ₹ 12629.27/- lakhs (P.Y.- ₹ 15782.14/- lakhs) (in respect of subsidiary company) is as follows:**
  - i. Pledge of Equity Shares of the Project Company upto 30%.
  - ii. 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.

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

- iii. 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 ₹ 31104.00/- lakhs (P.Y.- ₹ 21976.00/- lakhs) (in respect of subsidiary company) is as follows:**
  - i. Pledge of Equity Shares of the Project Company upto 30%.
  - ii. 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 assets) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.
  - iii. The loan is also secured by corporate guarantee 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 ₹ 105400.52/- lakhs (P.Y.- ₹ 100941.5/- lakhs ) (in respect of subsidiary company) is as follows:**
    - i. Pledge of Equity Shares of the Project Company upto 51%.
    - ii. 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 assets) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.
    - iii. The loan is also secured by corporate guarantee 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
    - iv. The loan is also secured personal guarantee of directors of shrem group i.e. Mr. Nitán chhatwal and Mr. Hitesh Chhatwal. Further more, loan is secured by Corporate guarantee of Shrem Infrastructure Pvt Ltd
    - **The securities provided for the Term loan from Banks amounting to ₹ 26618.74/- lakhs (P.Y.- ₹ 25190.86/- lakhs) (in respect of subsidiary company) is as follows:**
      - i. The holding company has pledged 26% shares with Indian Bank.
      - ii. The loan is secured by a first charge on borrower's immovable properties, both present and future, tangible moveable assets (including
- time director and Mr. Devendra Jain, CEO of the company
- iv. The loan is also secured by corporate gurantee of Shrem Infracventure Pvt Ltd & personal gurantee of Nitán Chhatwal and Anjali Hitesh Chhatwal, directors of Shrem infracventure Pvt Ltd.
- **The securities provided for the Term loan from Banks amounting to ₹ 21799.99/- lakhs (P.Y.- ₹ 20140.65/- lakhs) (in respect of subsidiary company) is as follows:**
  - i. The holding company has pledged 26% shares with PNB Investment Services Limited.
  - ii. 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 assets) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.
  - iii. The loan is also secured by corporate gurantee of Dilip Buildcon Ltd. And personal gurantee 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
  - iv. The loan is also secured personal gurantee of directors of shrem group i.e. Mr. Nitán chhatwal and Mr. Hitesh Chhatwal. Further more, loan is secured by Corporate gurantee of Shrem Infrastructure Pvt Ltd
  - **The securities provided for the Term loan from Banks amounting to ₹ 26618.74/- lakhs (P.Y.- ₹ 25190.86/- lakhs) (in respect of subsidiary company) is as follows:**
    - i. The holding company has pledged 26% shares with Indian Bank.
    - ii. The loan is secured by a first charge on borrower's immovable properties, both present and future, tangible moveable assets (including

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

- 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.
- iii. The loan is also secured by corporate gurantee of Dilip Buildcon Ltd. And personal gurantee 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 ₹ 20776.90/- lakhs (P.Y. 1652.15/-lakhs) (in respect of subsidiary company) is as follows:**
- i. The holding company has pledged 51% shares with Axis Trustee Services Ltd.
- ii. 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.
- iii. The loan is also secured by corporate gurantee of Dilip Buildcon Ltd. And personal gurantee 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 to ₹12240.93/- lakhs (P.Y. ₹ Nil) (in respect of subsidiary company) is as follows:**
- i. The holding company has pledged 51% shares with PNB Investment Services Limited.
- ii. 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.
- iii. The loan is also secured by corporate gurantee of Dilip Buildcon Ltd. And personal gurantee 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
- iii. The loan is also secured by personal gurantee 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 to ₹ 14631.33/- lakhs (P.Y. ₹ Nil) (in respect of subsidiary company) is as follows:**
- i. The holding company has pledged 51% shares with PNB Investment Services Limited.
- ii. 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.
- iii. The loan is also secured by corporate gurantee of Dilip Buildcon Ltd. And personal gurantee 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 to ₹ 20864.45/- lakhs (P.Y. ₹ Nil) (in respect of subsidiary company) is as follows:**
- i. The holding company has pledged 51% shares with SBI cap Trustee company limited
- ii. 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.
- iii. The loan is also secured by corporate gurantee of Dilip Buildcon Ltd. And personal gurantee 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

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

- **The securities provided for the Term loan from Banks amounting to ₹ 8326.97/- lakhs (P.Y. ₹ Nil) (in respect of subsidiary company) is as follows:**
    - i. The holding company has pledged 61% shares with Axis Trustee Services Ltd.
    - ii. 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 assets) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.
    - iii. The loan is also secured by corporate guarantee 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 ₹ 6318.97/- lakhs (P.Y. ₹ Nil) (in respect of subsidiary company) is as follows:**
    - i. The holding company has pledged 66% shares with Axis Trustee Services Ltd.
    - ii. 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 assets) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.
    - iii. The loan is also secured by corporate guarantee 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 ₹ 5356.98/- lakhs (P.Y. ₹ Nil) (in respect of subsidiary company) is as follows:**
    - i. The holding company has pledged 51% shares with Axis Trustee Services Ltd.
    - ii. 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 assets) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.
    - iii. The loan is also secured by corporate guarantee 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
- b) Term Loan from Financial Institution**
- **The securities provided for the Term loan from financial institutions amounting to ₹ 41,124.75/- lakhs (P.Y. - ₹ 48,517.02/- 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/construction equipments.
  - **The securities provided for the Term loan for Working Capital from financial institutions amounting to ₹ Nil (P.Y. - ₹ 834.95/- lakhs) is as follows:**
    - i. Pledge of Equity Shares of Dilip Buildcon Limited held by Mr. Dilip Suryavanshi, the 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, the Managing Director of the Company, has been pledged as security



## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

- 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 ₹ 3,355.00/- lakhs (P.Y. - ₹ 5,932.50/- lakhs) is as follows:**
  - i. Pledge of Equity Shares of Dilip Buildcon Limited held by Mr. Dilip Suryavanshi, the Managing Director of the Company, the market value of which is not less than 2.10 times the outstanding obligations of the borrower at the point of facility drawdown 35,00,000 shares of Dilip Buildcon Limited held by Mr. Dilip Suryavanshi, the 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 securities provided for the Term loan for Working Capital from financial institutions amounting to ₹ 1,342.71/- lakhs (P.Y. - 3,325.03/- lakhs) is as follows:**
  - i. Unconditional and irrevocable bank guarantee
- **The securities provided for the Term loan from financial institutions amounting to ₹ 16,290.03/- lakhs (P.Y. ₹ Nil) (in respect of subsidiary company) is as follows:**
  - i. Pledge of Equity Shares of the Project Company upto 51%.
  - ii. 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 assets) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.
- iii. The loan is also secured by Corporate Guarantee of Dilip Buildcon Limited.
- iv. The loan is also secured personal guarantee of directors of Shrem group i.e. Mr. Nitin Chhatwal and Mr. Hitesh Chhatwal. Further more, loan is secured by Corporate guarantee of Shrem Infrastructure Pvt Ltd
- **The securities provided for the Term loan from financial institution amounting to ₹ 7311.37/- lakhs (P.Y.- ₹ 7858.00/- lakhs) (in respect of subsidiary company) is as follows:**
  - i. The holding company has pledged 26% shares with PNB Investment Services Limited.
  - ii. 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 assets) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.
  - iii. The loan is also secured by corporate guarantee 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
  - iv. The loan is also secured personal guarantee of directors of shrem group i.e. Mr. Nitin chhatwal and Mr. Hitesh Chhatwal. Further more, loan is secured by Corporate guarantee of Shrem Infrastructure Pvt Ltd
- **The securities provided for the Term loan from financial institution amounting to ₹ 9312.18/- lakhs (P.Y. ₹ Nil) (in respect of subsidiary company) is as follows:**
  - i. The holding company has pledged 61% shares with Axis Trustee Services Ltd.
  - ii. The loan is secured by a first charge on borrower's immovable properties, both present and future, tangible moveable assets (including

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for the year ended 31<sup>st</sup> March 2020

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.

iii. The loan is also secured by corporate gurantee of Dilip Buildcon Ltd. And personal gurantee 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 ₹ 715.00/- lakhs (P.Y. ₹ Nil) (in respect of subsidiary company) is as follows:**

i. The holding company has pledged 66% shares with Axis Trustee Services Ltd.

ii. 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.

iii. The loan is also secured by corporate gurantee of Dilip Buildcon Ltd. And personal gurantee 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 ₹ 6024.04/- lakhs (P.Y. ₹ Nil) (in respect of subsidiary company) is as follows:**

i. The holding company has pledged 51% shares with Axis Trustee Services Ltd.

ii. 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.

iii. The loan is also secured by corporate gurantee of Dilip Buildcon Ltd. And personal gurantee 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 Instituions amounting to ₹ 30550.91/- lakhs (P.Y. ₹ 20590.89/- lakhs) (in respect of subsidiary company) is as follows:**

i. The holding company has pledged 51% shares with Axis Trustee Services Limited.

ii. 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.

iii. The loan is also secured by corporate gurantee of Dilip Buildcon Ltd upto first annuity

- **The securities provided for the Term loan from Financial Instituions amounting to ₹ 45697.00/- lakhs (P.Y.- ₹ 18921.00/- lakhs) (in respect of subsidiary company) is as follows:**

i. The holding company has pledged 51% shares with Axis Trustee Services Limited.

ii. 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.

iii. The loan is also secured by corporate gurantee of Dilip Buildcon Ltd. And personal gurantee of Mr. Dilip Suryavanshi, the managing director of

## Notes to Financial Statements

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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 Institutions amounting to ₹ 15151.00/- lakhs (P.Y. ₹ Nil) (in respect of subsidiary company) is as follows:**

- i. The holding company has pledged 51% shares with IDBI trusteeship services limited
- ii. 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 assets) both present and future other than the asset forming part of the Project Assets, Escrow account and Sub accounts, and intangible assets.
- iii. The loan is also secured by 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 Institutions amounting to ₹ 418.58/- lakhs (P.Y. ₹ Nil) (in respect of subsidiary company) is as follows:**

- i. Charge by way of Equitable Mortgage of the Factory Land and Building

### 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 1,25,00,000 equity shares of Dilip Buildcon Limited held by Mr. Dilip Suryavanshi, the Managing Director of the Company and Mr. Devendra Jain, the CEO of the Company

- iv. Pari Passu charge of all lender banks by way of hypothecation of stock of Material, Stock-in-process i.e. Cement, Steel, Steel Pipes, Gitty, Murram, Boulders, 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)

- v. Personal guarantee of Mr. Dilip Suryavanshi, the Managing Director of the Company, Mrs. Seema Suryavanshi, the Whole-time Director of the Company, Mr. Devendra Jain, the CEO of the Company and Mrs. Preeti Jain, the relative of the CEO of the Company

- vi. Guarantee of the firm M/s B. S. Associates

- vii. 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, Mr. Dilip Suryavanshi, 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, Bhopal, standing in the name of, Mrs. Seema Suryavanshi, the Whole-time Director of the Company.
- 3) Plot at Khasra No. 235 (Old 85,86/1, 87/23) ; Patwari Halka No. 35, Vill. Chapri, Ratibar Tehsil-Huzur; Distt. Bhopal, standing in the name of, Mr. Dilip Suryavanshi, the Managing Director of the Company and Mrs. Seema Suryavanshi, the Whole-time Director of the Company.

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

- 4) 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, Mr. Dilip Suryavanshi, the Managing Director of the Company.
- 5) 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, Mrs. Seema Suryavanshi, the Whole-time Director of the Company
- 6) 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, Mr. Dilip Suryavanshi, the Managing Director of the Company.
- 7) 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, Mr. Devendra Jain, the CEO 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, District Rajgarh (M.P) H. No. 7 standing in the name of, Mr. Devendra Jain, the CEO of the Company.
- 9) 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, Mr. Dilip Suryavanshi, the Managing Director of the Company and Mrs. Seema Suryavanshi, the Whole-time Director of the Company.
- 10) 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).
- 11) 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, Mrs. Preeti Jain, relative of the CEO of the Company.

### Repayment Schedule

#### (i) Financial Year 2019–20

(₹ In Lakhs)

Particulars	1 year	1-3 years	Beyond 3 Years	Total Amount
Debentures	18,000.00	33,000.00	-	51,000.00
Term Loans From Banks	30,619.12	88,109.62	3,16,272.60	4,35,001.34
Term Loans From Others	22,528.42	41,172.63	1,19,991.52	1,83,692.57
<b>Total</b>	<b>71,147.54</b>	<b>1,62,282.25</b>	<b>4,36,264.12</b>	<b>6,69,693.91</b>

#### (ii) Financial Year 2018–19

(₹ 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	55,937.03	2,79,354.26	3,54,208.59
Term Loans From Others	17,659.64	38,406.10	49,913.64	1,05,979.38
<b>Total</b>	<b>45,576.94</b>	<b>1,30,343.13</b>	<b>3,44,267.90</b>	<b>5,20,187.97</b>

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### Note 12: Trade payables

(₹ In Lakhs)

	Particulars	31 March 2020	31 March 2019
	<b>Current</b>		
(i)	total outstanding dues of micro enterprises and small enterprises; (Refer Note 37)	4,460.77	3,511.46
(ii)	total outstanding dues of creditors other than micro enterprises and small enterprises;	1,60,963.49	1,70,599.60
	<b>Total</b>	<b>1,65,424.26</b>	<b>1,74,111.06</b>

\* Includes ₹ Nil (P.Y. ₹ 4.48/- lakhs) payable to related parties

### Note 13: Other financial liabilities

(₹ In Lakhs)

	Particulars	31 March 2020	31 March 2019
	<b>Non-Current</b>		
(i)	Others	29.13	29.13
(ii)	Lease Liabilities	3,512.68	-
	<b>Total Non-Current</b>	<b>3,541.81</b>	<b>29.13</b>
	<b>Current</b>		
(i)	Current maturities of long term borrowings (Note 11)	71,147.55	45,576.95
(ii)	Interest accrued but not due on borrowings	1,168.95	1,360.60
(iii)	Unpaid Dividend	3.96	-
(iv)	Creditors for expenses*	22,545.07	17,677.77

(₹ In Lakhs)

	Particulars	31 March 2020	31 March 2019
(v)	Creditors for Fixed Assets	129.36	3,061.12
	<b>Total Current</b>	<b>94,994.89</b>	<b>67,676.44</b>
	<b>Total Other Financial Liabilities</b>	<b>98,536.70</b>	<b>67,705.57</b>

\* Includes ₹ 745.41/- lakhs (P.Y. - ₹ 1,807.52/- lakhs) payable to related parties

### Note 14: Provisions

(₹ In Lakhs)

	Particulars	31 March 2020	31 March 2019
	<b>Non-current</b>		
(a)	Provision for employee benefits		
(i)	Provision for compensated absences	2,031.55	1,910.89
	Less: Current provision	54.73	45.06
		<b>1,976.82</b>	<b>1,865.83</b>
(ii)	Provision for gratuity (Refer Note 31)	4,192.37	3,130.51
	Less: Current provision	1,516.55	1,172.52
		<b>2,675.82</b>	<b>1,957.99</b>
		<b>4,652.64</b>	<b>3,823.81</b>
(b)	Defect liability provision (Refer Note 29)	1,006.62	756.62

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

	Particulars	31 March 2020	31 March 2019
(c)	Provision for loss on Sale on Investment (Refer Note 29)	3,908.00	3,908.00
(d)	Provision for Major Maintenance (Refer Note 29)	4,172.00	2,879.07
	<b>Total Non-current provisions</b>	<b>13,739.26</b>	<b>11,367.51</b>
	<b>Current</b>		
(a)	Provision for employee benefits		
(i)	Provision for compensated absences	54.74	45.06
(ii)	Provision for gratuity (Refer Note 31)	1,516.55	1,172.52
	<b>Total Current provisions</b>	<b>1,571.29</b>	<b>1,217.58</b>
	<b>Total provisions</b>	<b>15,310.55</b>	<b>12,585.09</b>

### Note 15: Other liabilities

(₹ In Lakhs)

	Particulars	31 March 2020	31 March 2019
	<b>Non-current</b>		
(a)	Advances from customers		
(i)	Related parties	4,644.03	7,689.96
(ii)	Others	81,687.48	47,880.78
		<b>86,331.51</b>	<b>55,570.74</b>

(₹ In Lakhs)

	Particulars	31 March 2020	31 March 2019
	Less: Current provision - Related parties	3,732.74	65.36
	Less: Current provision	50,570.84	27,170.38
		<b>32,027.93</b>	<b>28,335.00</b>
(b)	Advance Received against sale of equity in subsidiary companies	49,036.18	74,084.71
	Less: Liabilities in respect of non current assets classified as held for sale	-	(27,578.06)
		<b>49,036.18</b>	<b>46,506.65</b>
	<b>Total non-current</b>	<b>81,064.11</b>	<b>74,841.65</b>
	<b>Current</b>		
(a)	Advances from customers		
(i)	Related parties	3,732.74	65.36
(ii)	Others	1,22,283.07	82,073.05
		<b>1,26,015.81</b>	<b>82,138.41</b>
(b)	Duties and Taxes	1,349.07	8,179.37
(c)	Statutory Remittances	2,875.46	2,816.04
(d)	Amounts withheld from Contractor	15,482.72	12,546.70
	<b>Total current</b>	<b>1,45,723.06</b>	<b>1,05,680.52</b>
	<b>Total</b>	<b>2,26,787.17</b>	<b>1,80,522.17</b>

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### Note 16: Income Taxes

#### i. Deferred tax

(₹ In Lakhs)

Deferred tax relates to the following: Deferred tax asset / (liability)	Balance sheet		Statement of Profit and Loss & Other comprehensive income	
	31 March 2020	31 March 2019	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Deferred tax asset</b>				
Provision for post retirement benefits and other employee benefits	4,091.23	3,499.44	591.79	(1,636.08)
Provisions	11,414.33	10,104.00	1,310.33	8,555.36
Property, plant & equipment and intangible assets	25.21	0.12	25.09	(35,246.18)
Other temporary differences	-	-	-	(1,630.67)
DTA on Loss	(0.30)	122.99	(123.29)	-
Ind AS 116 Impact	464.75		-	-
<b>Total</b>	<b>15,995.21</b>	<b>13,726.55</b>	<b>1,803.93</b>	<b>(29,957.57)</b>
<b>Deferred tax liability</b>				
Property, plant & equipment and intangible assets	14,023.14	15,332.59	(1,309.45)	(13,458.32)
On account of service concession arrangement	283.74	248.80	34.94	(26,659.27)
Other temporary differences	126.29	684.16	(557.87)	509.10
<b>Total</b>	<b>14,433.17</b>	<b>16,265.55</b>	<b>(1,832.38)</b>	<b>(39,608.49)</b>
<b>Net deferred tax asset / (liability)</b>	<b>1,562.03</b>	<b>(2,539.00)</b>	<b>3,636.32</b>	<b>9,650.92</b>
<b>Deferred tax (expense)/income</b>			<b>3,636.32</b>	<b>9,650.92</b>
- Recognised in statement of profit and loss			3,729.48	9,679.16
- Recognised in statement of other comprehensive income			(93.16)	(28.24)

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### Note 17: Revenue from operations

(₹ In Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(i) Contract revenue*	9,06,107.26	9,15,127.31
(ii) Toll and Annuity Revenue	12,074.88	9,532.11
(iii) Other operating revenue		
(a) Miscellaneous Receipt - Sale of Scrap, etc.	8,334.46	2,528.28
(b) Interest Income on Financial Asset	45,052.57	14,116.10
(c) Other	919.48	280.50
	<b>54,306.51</b>	<b>16,924.88</b>
<b>Total</b>	<b>9,72,488.65</b>	<b>9,41,584.30</b>

\* includes revenue on account of Bonus on earlier completion of contract ₹11,641.94/- Lakhs (previous Year ₹3,258.90/- lakhs)

### Note 18: Other income

(₹ In Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(i) Interest Income		
(a) Interest from banks on deposits	3,375.67	1,935.91
(b) Interest on loan given	177.73	798.21
	<b>3,553.40</b>	<b>2,734.12</b>
(ii) Other non-operating income		

(₹ In Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Interest on Income tax refund	15.09	219.99
(b) Other	98.75	1,723.11
(c) Unwinding of security deposit	37.80	42.59
(d) Profit on Sale of Assets/ Investment	61.59	11.36
	<b>213.23</b>	<b>1,997.05</b>
<b>Total</b>	<b>3,766.63</b>	<b>4,731.17</b>

### Note 19: Cost of construction

(₹ In Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(a) Raw Materials and Consumables		
Opening Stock	2,33,502.06	1,88,940.22
Add: Purchases	2,93,720.64	3,15,652.37
Less: Closing Stock	2,59,364.25	2,33,502.06
	<b>2,67,858.45</b>	<b>2,71,090.53</b>
(b) Cartage & Transportation	16,096.02	22,054.38
(c) Labour Charges	1,36,357.15	1,61,244.21
(d) Power and Fuel	1,15,710.22	1,13,910.62
(e) Electrical Repairs and Maintenance	91.07	70.10
(f) Insurance Charges	3,236.07	4,371.50



## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(g) Machinery Repairs and Maintenance	4,943.82	4,602.66
(h) Security Maintenance	16.06	14.82
(i) Technical and Consultancy Charges	14,749.13	9,498.12
(j) Labour Cess and Taxes	7,867.66	8,024.33
(k) Lease Rent	2,137.06	9,230.03
(l) Vehicle and Machine related Charges	6,099.56	3,773.93
(m) Royalty Charges	15,392.85	11,506.87
(n) Salary to Site Staff	74,272.43	69,571.82
(o) Site Expenses	27,295.04	14,066.92
(p) Subcontractor Charges (utility or others)	13,508.24	18,388.26
(q) Operation and Maintenance Charges	2,705.09	1,842.50
<b>Total</b>	<b>7,08,335.92</b>	<b>7,23,261.60</b>

### Note 20: Changes in inventories

(₹ In Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>(i) Work in progress</b>		
Opening Stock	16,941.26	13,683.18
Less: Closing Stock	5,139.26	16,941.26
	<b>11,802.00</b>	<b>(3,258.08)</b>
<b>(ii) Finished Goods</b>		
Opening Stock	-	-
Less: Closing Stock	45.32	-
	<b>(45.32)</b>	<b>-</b>
<b>Total</b>	<b>11,756.68</b>	<b>(3,258.08)</b>

### Note 21: Employee benefits expense

(₹ In Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(i) Salaries, wages and bonus	7,951.20	6,629.86
(ii) Contributions to :		
Provident Fund	4,766.43	2,984.25
ESIC	36.26	578.33
Voluntary Benefit Fund	184.90	160.09
(iii) Employee's welfare and Other amenities	3,372.71	3,924.26
(iv) Directors' Remuneration	3,626.00	3,600.00
<b>Total</b>	<b>19,937.50</b>	<b>17,876.79</b>

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### Note 22: Finance costs

(₹ In Lakhs)

Particulars		For the year ended March 31, 2020	For the year ended March 31, 2019
(i)	Interest on borrowings	94,203.74	69,479.31
(ii)	Interest on other financial liability	4,734.93	1,295.41
(iii)	Other borrowing costs	14,033.39	16,411.41
(iv)	Unwinding of Lease liabilities	588.16	-
	<b>Total</b>	<b>1,13,560.22</b>	<b>87,186.13</b>

### Note 23: Other expenses

(₹ In Lakhs)

Particulars		For the year ended March 31, 2020	For the year ended March 31, 2019
(i)	Advertisement Charges	168.88	157.28
(ii)	Audit Fees (Refer Note 26)	88.96	80.07
(iii)	Business Promotion Exp	169.10	145.88
(iv)	Conveyance	1,836.46	18.81
(v)	Legal Charges	1,143.47	1,231.78
(vi)	Printing & Stationery	109.80	273.67
(vii)	Repairs and Maintenance - Others	5,074.32	753.10
(viii)	Service Tax	205.53	-
(ix)	Telephone Charges	354.08	446.26
(x)	Tender Expenses	107.50	84.85

(₹ In Lakhs)

Particulars		For the year ended March 31, 2020	For the year ended March 31, 2019
(xi)	Travelling Expenses	2,786.21	2,748.03
(xii)	Miscellaneous deduction by department	844.04	-
(xiii)	Vat Expenditure/ GST	2,396.54	1,244.28
(xiv)	Office Rent	411.05	447.80
(xv)	Miscellaneous Expenses	1,699.29	1,362.83
(xvi)	Provision for Doubtful Debts	3,500.00	11,000.00
(xvii)	Office Expenses	283.01	498.65
(xviii)	Postage and Courier	94.01	88.61
(xix)	Directors Sitting fees	30.35	18.70
(xx)	CSR expenses (Note 43)	192.60	107.94
(xxi)	Defect liability expense	250.00	700.00
(xxii)	Establishment Expenses	13.44	22.66
(xxiii)	Major Maintenance (Refer Note 29)	2,086.00	2,879.07
(xxiv)	Loss on sale of assets/ Investments	260.09	-
(xxv)	Technical and Consultancy Charges	1,570.49	2,829.08
(xxvi)	Labour Cess deducted by Govt.	33.00	66.81
	<b>Total</b>	<b>25,708.22</b>	<b>27,206.16</b>

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### Note 24: Other comprehensive income

(₹ In Lakhs)

Particulars		For the year ended March 31, 2020	For the year ended March 31, 2019
<b>(i)</b>	<b>Items that will not be reclassified to profit or loss</b>		
(a)	Remeasurements gains / (losses) on post-employment benefits	266.59	(80.82)
(b)	Others	4.80	-
(c)	Tax on remeasurements gains / (losses)	(93.16)	(28.24)
	<b>Total</b>	<b>178.23</b>	<b>(109.06)</b>

### Note 25: Commitments & Contingent Liabilities

(₹ In Lakhs)

Particulars		31 March 2020	31 March 2019
<b>Contingent Liabilities</b>			
i)	Claims against the company not acknowledged as debts	2,124.96	5,000.29
ii)	Guarantees issued by the bank on Company's behalf	4,38,516.82	3,92,034.39
iii)	Corporate guarantees issued by Company on behalf of other companies	3,700.00	-
	<b>Total</b>	<b>4,44,341.78</b>	<b>3,97,034.68</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.

### Note 26: Remuneration to Auditors

(₹ In Lakhs)

Particulars		For year ended March 31, 2020	For year ended March 31, 2019
a)	Audit Fees	65.96	65.72
b)	Limited Review Fees	12.00	9.00
c)	Other Certification	11.00	5.35
	<b>Total</b>	<b>88.96</b>	<b>80.07</b>

### Note 27: Earning per Share (Basic and diluted)

(₹ In Lakhs)

Particulars		For year ended March 31, 2020	For year ended March 31, 2019
a)	Profit for the year after tax	40,541.61	54,744.64
b)	Weighted average number of equity shares used as denominator	13,67,69,768	13,67,69,768
c)	Basic & Diluted earning per share of nominal value of Rs 10/- each	29.64	40.03

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### Note 28: Related party transaction

Name of the related party	Nature of relationship	% of holding	Nature of relationship	% of holding
	31 March 2020	31 March 2020	31 March 2019	31 March 2019
DBL Ashoknagar-Vidisha Tollways Limited	-	-	Associate	30.00%
DBL Nadiad Modasa Tollways Limited	Associate	26.00%	Associate	26.00%
Dilip Buildcon-Varah Infra Ltd (JV)				
Dilip Buildcon Limited -Varah Infra Ltd (JV)				
Dilip Buildcon-MBZ JV				
DBL-DECO JV				
Valecha Dilip JV				
DBL-SRBG(JV)				
DBL-EVRASCON (JV)				
Dilip Buildcon Limited & Ranjit Buildcon Limited JV				
Shri Dilip Suryavanshi				
Smt. Seema Suryavanshi				
Shri Devendra Jain				
Shri Aditya Vijay Singh				
Shri Ashwini Verma				
Shri Amogh Kumar Gupta				
Shri Satish Chandra Pandey				
Shri Vijay Chibber				
Shri Malay Mukhrjee				
Smt. Ratna Dharashree Vishwanathan				
Shri Radhey Shyam Garg (Chief Financial Officer of Holding company)				
Shri Abhishek Shrivastava (Company Secretary of Holding company)				
Shri Bharat Singh (President of Holding company)				
Shri Rohan Suryavanshi				
Shri Karan Suryavanshi				

Entities with whom reporting entity has Joint Operations

Key Managerial Persons (KMP)

Relatives of KMP

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

Name of the related party	Nature of relationship	% of holding	Nature of relationship	% of holding
	31 March 2020	31 March 2020	31 March 2019	31 March 2019
Shrem Infraventure Private Limited				
Shrem Roadways Pvt Ltd				
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				
Other Related Parties				

The following transactions were undertaken during the reporting period:

### 1) Expense

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2020			
	Associates	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		312.00		312.00
<b>Interest on Mobilisation Advance</b>				
Dilip Buildcon-MBZ JV		1,133.61		1,133.61
<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 Aditya Vijay Singh			1.00	1.00
Shri Ashwini Verma			4.00	4.00
Shri Amogh Kumar Gupta			2.00	2.00

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2020			
	Associates	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	Grand Total
Shri Satish Chandra Pandey			5.00	5.00
Shri Vijay Chibber			4.00	4.00
Shri Malay Mukhrjee			5.00	5.00
Smt. Ratna Dharashree Vishwanathan			5.00	5.00
Shri Radhey Shyam Garg (Chief Financial Officer)			67.62	67.62
Shri. Abhishek Shrivastava (Company Secretary)			29.32	29.32
Shri Bharat Singh (President)			79.96	79.96
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)			1.81	1.81
#Shri Radhey Shyam Garg (Chief Financial Officer of holding company)			1.15	1.15
Shri. Abhishek Shrivastava (Company Secretary of holding company)			1.31	1.31
Shri Bharat Singh (President of holding company)			0.69	0.69
Shri Rohan Suryavanshi			1.00	1.00
Shri Karan Suryavanshi			0.63	0.63
<b>Total</b>	<b>-</b>	<b>1,445.61</b>	<b>4,029.09</b>	<b>5,474.70</b>

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2019			
	Associates	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		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 Radhey Shyam Garg (Chief Financial Officer)			13.95	13.95
**Shri Raja Ghosh (Interim Chief Financial Officer)			25.59	25.59
*Shri Vaibhav Rawat (Out going Chief Financial Officer)			7.56	7.56
Shri. Abhishek Shrivastava (Company Secretary)			28.24	28.24
Shri Bharat Singh (President)			86.14	86.14
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 of holding company)			0.92	0.92
**Shri Raja Ghosh (Interim Chief Financial Officer of holding company)			0.39	0.39
Shri. Abhishek Shrivastava (Company Secretary of holding company)			0.81	0.81
Shri Bharat Singh (President of holding company)			1.63	1.63

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2019			
	Associates	Joint Ventures/Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	Grand Total
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>312.00</b>	<b>3,993.12</b>	<b>5,050.26</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

The following transactions were undertaken during the reporting period:

### 2) Income

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2020			
	Associates	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)		3,112.58		3,112.58
Dilip Buildcon Limited -Varah Infra Ltd (JV)		3,294.35		3,294.35
Dilip Buildcon-MBZ JV		33,516.33		33,516.33
DBL-DECO JV		61,325.44		61,325.44
DBL SRBG JV		1,600.14		1,600.14
<b>Total</b>	<b>-</b>	<b>1,02,848.86</b>	<b>-</b>	<b>1,02,848.86</b>



## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2019			
	Associates	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>-</b>	<b>1,63,262.19</b>	<b>-</b>	<b>1,63,262.19</b>

The following balances were outstanding at the end of the reporting period:

### 1) Balances receivable from related parties

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2020			
	Associates	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	Grand Total
<b>Investment in Shares – Equity</b>				
DBL Nadiad Modasa Tollways Limited	812.33			812.33
<b>Security Deposit given</b>				
Shree Vinayak Enterprises & Properties		450.00		450.00
DBL-DECO JV		716.47		716.47
Genex Hotels Pvt Ltd		50.00		50.00

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2020			
	Associates	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	Grand Total
<b>Trade Receivables</b>				
Genex Hotels Pvt Ltd		2,185.51		2,185.51
Dilip Buildcon-MBZ JV		8,441.20		8,441.20
DBL-DECO JV		1,195.59		1,195.59
Dilip Buildcon-Varah Infra Ltd (JV)		1,166.48		1,166.48
Dilip Buildcon Limited -Varah Infra Ltd (JV)		508.91		508.91
DBL-SRBG(JV)		1,827.60		1,827.60
<b>Unsecured Loans Given</b>				
DBL SRBG(JV)		29.08		29.08
Valecha Dilip JV		0.44		0.44
Shrem Infraventure Pvt Ltd		14,933.13		14,933.13
<b>Retention &amp; Withheld Money</b>				
Dilip Buildcon-MBZ JV		4,261.08		4,261.08
Dilip Buildcon Limited-Varah Infra Ltd (JV)		1,460.18		1,460.18
Dilip Buildcon-Varah Infra Ltd (JV)		2,181.88		2,181.88
DBL-DECO JV		30.51		30.51
<b>Advance given</b>				
B. S. Associates		245.30		245.30
Valecha Dilip JV		264.02		264.02
<b>Total</b>	<b>812.33</b>	<b>39,947.40</b>	<b>-</b>	<b>40,759.73</b>

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2019			
	Associates	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	Grand Total
<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
Genex Hotels Pvt Ltd		54.10		54.10
<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		6,377.10		6,377.10
<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 of holding company)			7.80	7.80
<b>Total</b>	<b>1,298.19</b>	<b>32,506.26</b>	<b>7.80</b>	<b>33,812.25</b>

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### 2) Balances payable to related parties

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2020			
	Associates	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	Grand Total
<b>Advance received</b>				
DBL SRBG(JV)		1,607.54		1,607.54
Dilip Buildcon-MBZ JV		3,036.49		3,036.49
<b>Unsecured Loans Taken</b>				
Shrem Infraventure Private Limited		31,293.78		31,293.78
Shrem Roadways Pvt Ltd		5,347.01		5,347.01
Highfly Airlines Pvt. Limited		24.06		24.06
Shri Dilip Suryavanshi			9.05	9.05
<b>Amounts Payable</b>				
Shri Dilip Suryavanshi			373.96	373.96
Smt. Seema Suryavanshi			32.70	32.70
Shri Devendra Jain			323.00	323.00
Shri Bharat Singh (President)			15.75	15.75
<b>Total</b>	<b>-</b>	<b>41,308.88</b>	<b>754.46</b>	<b>42,063.34</b>

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2019			
	Associates	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	Grand Total
<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

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Nature of transaction	Year ended 31 March 2019			
	Associates	Joint Ventures/ Joint Operations/ Other Related parties	Key Management Personnel & Relatives of KMP	Grand Total
Highfly Airlines Pvt. Limited		24.06		24.06
Shrem Infraventure Private Limited		1,814.29		1,814.29
Shri Dilip Suryavanshi			9.05	9.05
<b>Amounts Payable</b>				
Shree Vinayak Enterprises & Properties		4.48		4.48
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>-</b>	<b>4,373.04</b>	<b>1,816.57</b>	<b>6,189.61</b>

### Note 29: Movement in provision

(₹ In Lakhs)

Particulars	Defect Liability Provision	Major Maintenance	Provision for Loss on sale of Investment
<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>
Additional provision recognised during year	250.00	2,086.00	-
Amount utilised during the year	-	-	-
Unused amounts reversed during the year	-	793.07	-
Unwinding of provision during the year	-	-	-
<b>Carrying amount as at 31 March 2020</b>	<b>1,006.62</b>	<b>4,172.00</b>	<b>3,908.00</b>

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### 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.

(₹ In Lakhs)

Sr. No.	Particulars	Carrying value		Fair value	
		31 March 2020	31 March 2019	31 March 2020	31 March 2019
	<b>Financial Asset</b>				
<b>(a)</b>	<b>Carried at amortised cost</b>				
(i)	Trade receivable *	3,58,598.50	1,95,111.81	-	-
(ii)	Security deposits	22,371.77	21,298.87	22,371.77	21,298.87
(iii)	Deposit in banks	12,651.33	7,869.17	12,651.33	7,869.17
(iv)	Other financial asset	54,506.42	44,709.50	54,506.42	44,709.50
(v)	Cash and cash equivalent *	78,859.02	52,109.34	-	-
	<b>Financial Liabilities</b>				
<b>(a)</b>	<b>Carried at amortised cost</b>				
(i)	Borrowings	9,06,008.37	7,40,609.27	9,06,008.37	7,40,609.27
(ii)	Trade payable *	1,65,424.27	1,74,111.06	-	-
(iii)	Other financial liabilities	26,220.19	20,768.02	26,220.19	20,768.02
(iv)	Interest accrued but not due on borrowings	1,168.95	1,360.60	1,168.95	1,360.60

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.

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

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.

### Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2020

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>					
<b>(a)</b>	<b>Financial assets measured at amortised cost</b>					
(i)	Security deposits		22,371.77			
(ii)	Deposit in banks		12,651.33			
(iii)	Other financial asset		54,506.42			
<b>(b)</b>	<b>Financial liability measured at amortised cost</b>					
(i)	Borrowings		9,06,008.37			
(ii)	Other financial liabilities		26,220.19			
(iii)	Interest accrued but not due on borrowings		1,168.95			

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### 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>					
<b>(a)</b>	<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)</b>	<b>Financial liability measured at amortised cost</b>					
(i)	Borrowings		7,40,609.27		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			

During the Year ended 31 March 2020 and 31 March 2019 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 ₹ 4,802.69/- lakhs (P.Y. ₹3,562.58/- 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 ₹ 853.17/- lakhs (P.Y. - ₹ 1,646.56/- lakhs) and is included under 'Employee's welfare and Other amenities' in "Employee benefits expenses" (Note 21) in the Profit and Loss Statement.



## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### ii Defined Benefit Plans:

#### a) The amounts recognised in Balance Sheet are as follows:

(₹ In Lakhs)

Particulars	Gratuity Plan	Gratuity Plan
	(Funded)	(Funded)
	As at 31 March 2020	As at 31 March 2019
A. Amount to be recognised in Balance Sheet		
Present Value of Defined Benefit Obligation	4,566.40	3,528.41
Less: Fair Value of Plan Assets	(374.03)	(397.90)
Amount to be recognised as liability or (asset)	4,192.37	3,130.51

#### b) The amounts recognised in the Profit and Loss Statement are as follows:

(₹ In Lakhs)

Particulars	Gratuity Plan	Gratuity Plan
	(Funded)	(Funded)
	As at 31 March 2020	As at 31 March 2019
1 Current Service Cost	1,172.52	940.21
2 Past service cost and loss/(gain) on curtailments and settlement	-	-
3 Net Interest (income)/ expenses	181.91	118.53
Net periodic benefit cost recognised in the statement of profit & loss- (Employee benefit expenses - Note 21)	1,354.43	1,058.74

#### c) The amounts recognised in the statement of other comprehensive income (OCI)

(₹ In Lakhs)

Particulars	Gratuity Plan	Gratuity Plan
	(Funded)	(Funded)
	As at 31 March 2020	As at 31 March 2019
1 Opening amount recognised in OCI outside profit and loss account	-	-
2 Due to Change in financial assumptions	189.17	31.40
3 Due to Change in demographic assumptions	0.06	-
4 Due to experience adjustments	(492.00)	29.47
5 Return on Plan assets excluding amounts included in Interest Income	36.18	19.95
6 Total Remeasurements Cost / (Credit ) for the year recognised in OCI	(266.59)	80.82
Less: Accumulated balances transferred to retained earnings	-	-
Closing balances (remeasurement (gain)/loss recognised OCI)	(266.59)	80.82

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

d) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

(₹ In Lakhs)

Particulars	Gratuity Plan	Gratuity Plan
	(Funded)	(Funded)
	As at 31 March 2020	As at 31 March 2019
1 Balance of the present value of		
Defined benefit Obligation as at 01-04-2019 / 01-04-2018	3,528.40	2,400.44
2 Interest expenses	244.99	164.41
3 Current Service Cost	1,172.52	940.21
4 Actuarial (gain) / loss due to change in financial assumptions	189.17	31.40
5 Actuarial (gain) / loss due to change in demographic assumptions	0.06	-
6 Actuarial (gain) / loss due to change in experience adjustments	(492.00)	29.47
7 Past Service Cost		-
8 Benefits paid	(76.74)	(37.53)
Present value of obligation as at the end of the period 31-03-2020 / 31-03-2019	4,566.40	3,528.40

e) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

(₹ In Lakhs)

Particulars	Gratuity Plan	Gratuity Plan
	(Funded)	(Funded)
	As at 31 March 2020	As at 31 March 2019
1 Fair value of the plan assets as at beginning of the period 01-04-2019 / 01-04-2018	397.90	363.49
2 Interest income	63.07	45.89
3 Contributions	25.99	46.00
4 Benefits paid	(76.74)	(37.53)
5 Return on plan assets, excluding amount recognised in Interest Income - Gain / (Loss)	(36.18)	(19.95)
6 Fair value of plan assets as at the end of the period 31-03-2020 / 31-03-2019	374.04	397.90
7 Actual return on plan assets	26.89	25.94

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### f) Net interest (Income) /expenses

(₹ In Lakhs)

Particulars	Gratuity Plan	Gratuity Plan
	(Funded)	(Funded)
	As at 31 March 2020	As at 31 March 2019
1 Interest ( Income) / Expense – Obligation	244.99	164.41
2 Interest (Income) / Expense – Plan assets	(63.07)	(45.89)
3 Net Interest (Income) / Expense for the year	181.92	118.52

### g) The broad categories of plan assets as a percentage of total plan assets as at 31-03-2016 of Employee's Gratuity Scheme are as under:

(₹ In Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
1 Policy of Insurance	100.00%	100.00%
<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 7.15% has been used for the valuation purpose.

### h) Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

- Discount rate as at 31-03-2020 - 6.45%
- Expected return on plan assets as at 31-03-2020: 6.45%
- Salary growth rate : For Gratuity Scheme - 8.00%
- 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:

(₹ In Lakhs)

Particulars	As at 31 March 2020	As at 31 March 2019
	Gratuity Plan	Gratuity Plan
	(Funded)	(Funded)
Defined Benefit Obligation	4,566.40	3,528.41
Plan Assets	(374.03)	(397.90)
Net Liability / (Assets)	4,192.37	3,130.51

### j) General descriptions of defined plans:

#### 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 ₹ 1,516.55/- lakhs towards its gratuity plan in the year 2020-21.

### 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%)

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ In Lakhs)

Change in assumption	Effect on gratuity obligation	Effect on gratuity obligation
	Gratuity Plan	Gratuity Plan
	31 March 2020	31 March 2019
<b>1 Discount rate</b>		
Increase by 0.5%	4,429.71	3,425.82
Decrease by 0.5%	4,711.58	3,637.16
<b>2 Salary increase rate</b>		
Increase by 0.5%	4,702.98	3,630.65
Decrease by 0.5%	4,435.24	3,430.17
<b>3 Withdrawal rate</b>		
Increase by 10%	4,452.77	3,442.01
Decrease by 10%	4,690.93	3,621.16

### 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 priceriskandcommodityrisk. 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 2020 and 31 March 2019. 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 2020.

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.

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:

(₹ In Lakhs)

Particulars	31 March 2020	31 March 2019
Variable rate borrowings		
Term loan from banks	4,12,636.38	3,32,872.48

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

The Company is exposed to debt obligations with variable interest rates. Accordingly, interest rate sensitivity disclosure is applicable and disclosed below:

(₹ In Lakhs)

Particulars	2020 (In INR)	2019 (In INR)
Impact on profit after tax or equity		
Increase by 70 basis points	(1,888.82)	(1,523.70)
Decrease by 70 basis points	1,888.82	1,523.70

### 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 :

(₹ In Lakhs)

Particulars	31 March 2020	31 March 2019
Less than 180 days	83,847.33	1,25,373.34
More than 180 days	2,87,175.88	69,738.47

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 4. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

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 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 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.

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

The table summarises the maturity profile of group's financial liabilities based on contractual undiscounted payments

### As at 31 March 2020

Particulars	Carrying amount	1 year	1-3 years	Beyond 3 Years	Total Amount
Interest bearing borrowings	8,65,891.33	2,67,345.14	1,62,282.08	4,36,264.12	8,65,891.33
Other Borrowings	40,117.03	40,113.41	3.63	-	40,117.03
Other financial liabilities	30,930.95	30,930.95	-	-	30,930.95
Trade Payables	1,65,424.27	1,65,424.27	-	-	1,65,424.27

### As at 31 March 2019

Particulars	Carrying amount	1 year	1-3 years	Beyond 3 Years	Total Amount
Interest bearing borrowings	7,23,158.36	2,48,547.33	1,30,343.13	3,44,267.90	7,23,158.36
Other Borrowings	17,450.92	10,042.69	7,408.22	-	17,450.92
Other financial liabilities	22,128.62	22,128.62	-	-	22,128.62
Trade Payables	1,74,111.06	1,74,111.06	-	-	1,74,111.06

### Note 33: Expenditure in foreign currency

(₹ in lakhs)

Particulars	For year ended March 31, 2020	For year ended March 31, 2019
Consultancy charges	481.46	177.23
Purchase of Materials	-	2,203.58
Capital Expenditure	2,761.11	3,015.86
<b>Total</b>	<b>3,242.57</b>	<b>5,396.67</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.

(₹ in lakhs)

Particulars	31 March 2020	31 March 2019
Loans and borrowings	8,34,860.81	6,95,032.34
Trade payables	1,65,424.27	1,74,111.06
Other financial liability	98,536.70	67,705.57
Less: Cash and cash equivalents	78,859.02	52,109.34
<b>Net debt</b>	<b>10,19,962.76</b>	<b>8,84,739.63</b>
Equity	3,30,353.53	2,83,479.59
<b>Capital and net debt</b>	<b>13,50,316.29</b>	<b>11,68,219.22</b>
Gearing ratio	75.54%	75.73%

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

**Note 35: Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates / Joint Ventures**

Sr.	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 (₹ in lakhs)	As % of Consolidated Profit or Loss	Amount (₹ in lakhs)	As % of Consolidated Other Comprehensive Income	Amount (₹ in lakhs)	As % of Consolidated Total Comprehensive Income	Amount (₹ in lakhs)
<b>A</b>	<b>Parent</b>								
1	Dilip Buildcon Ltd	78.56%	360,599.90	123.97%	42,497.51	97.31%	173.43	123.83%	42,670.94
<b>B</b>	<b>Subsidiaries</b>								
<b>I</b>	<b>Indian</b>								
1	Jaipal Devi Tollways Limited	4.39%	20,147.20	(1.16%)	(397.52)	0.00%	-	(1.15%)	(397.52)
2	DBL Hassan Periyapatna Tollways Limited	0.74%	3,373.45	8.44%	2,892.33	0.00%	-	8.39%	2,892.33
3	DBL Hirekerur Ranibennur Tollways Limited	0.36%	1,669.26	4.53%	1,553.57	0.00%	-	4.51%	1,553.57
4	DBL Mundargi Harapanahalli Tollways Limited	0.44%	2,008.52	4.19%	1,435.59	0.00%	-	4.17%	1,435.59
5	DBL Lucknow Sultanpur Highways Limited	0.87%	3,978.88	18.36%	6,293.49	0.00%	-	18.26%	6,293.49
6	DBL Tuljapur Ausa Highways Limited	0.26%	1,212.05	0.99%	339.38	0.00%	-	0.98%	339.38
7	DBL Kaimath Zarap Highways Limited	(1.16%)	(5,333.51)	(9.39%)	(3,218.49)	0.00%	-	(9.34%)	(3,218.49)
8	DBL Chandikhole Bhadrak Highways Private Limited	0.71%	3,264.14	(6.38%)	(2,186.71)	0.98%	1.75	(6.34%)	(2,184.96)
9	DBL Mahagaon Yavatmal Highways Private Limited	(0.19%)	(851.98)	(9.60%)	(3,292.25)	0.00%	-	(9.55%)	(3,292.25)
10	DBL Yavatmal Wardha Highways Private Limited	0.01%	67.35	7.88%	2,699.99	0.00%	-	7.84%	2,699.99
11	DBL Wardha Butibori Highways Private Limited	0.54%	2,480.88	1.35%	463.71	0.00%	-	1.35%	463.71

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

Sr.	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 (₹ in lakhs)	As % of Consolidated Profit or Loss	Amount (₹ in lakhs)	As % of Consolidated Other Comprehensive Income	Amount (₹ in lakhs)	As % of Consolidated Total Comprehensive Income	Amount (₹ in lakhs)
12	DBL VPR Mining Private Limited	0.00%	(0.98)	(0.00%)	(0.87)	0.00%	-	(0.00%)	(0.87)
13	DBL Anandapuram Anakapally High Private Limited	1.34%	6,164.01	(9.28%)	(3,180.38)	0.14%	0.25	(9.23%)	(3,180.13)
14	DBL Bangalore Nigagatta High Private Limited	4.30%	19,738.16	(4.15%)	(1,421.25)	0.14%	0.25	(4.12%)	(1,421.00)
15	DBL Bargaon Watambare Highway Private Limited	0.71%	3,269.86	(4.33%)	(1,483.33)	0.31%	0.55	(4.30%)	(1,482.78)
16	DBL Byrapura Challakere High. Private Limited	0.45%	2,070.75	(4.46%)	(1,527.43)	0.14%	0.25	(4.43%)	(1,527.18)
17	DBL Gorhar Khairatunda High Private Limited	0.59%	2,718.53	(2.52%)	(863.04)	0.14%	0.25	(2.50%)	(862.79)
18	DBL Mangalwedha Solapur Hing. Private Limited	0.84%	3,849.81	(4.02%)	(1,376.63)	0.14%	0.25	(3.99%)	(1,376.38)
19	DBL Manglore Highways Private Limited	0.33%	1,522.65	(4.21%)	(1,443.21)	0.14%	0.25	(4.19%)	(1,442.96)
20	DBL Nidagatta Mysore Highways Private Limited	2.23%	10,240.80	(1.35%)	(462.75)	0.14%	0.25	(1.34%)	(462.50)
21	DBL Rewa Sidhi Highways Private Limited	0.38%	1,764.59	(5.46%)	(1,871.54)	0.14%	0.25	(5.43%)	(1,871.29)
22	DBL Sangli Bargaon Highways Private Limited	0.90%	4,146.29	(2.72%)	(930.80)	0.14%	0.25	(2.70%)	(930.55)
23	DBL Bellary Byrapura Highways Private Limited	0.92%	4,200.43	(2.71%)	(928.97)	0.14%	0.25	(2.70%)	(928.72)
24	DBL Pachwara Coal Mine Private Limited	(0.01%)	(27.12)	(0.03%)	(9.98)	0.00%	-	(0.03%)	(9.98)



# Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

Sr.	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 (₹ in lakhs)	As % of Consolidated Profit or Loss	Amount (₹ in lakhs)	As % of Consolidated Other Comprehensive Income	Amount (₹ in lakhs)	As % of Consolidated Total Comprehensive Income	Amount (₹ in lakhs)
25	Bhavya Infra & Systems Private Limited	(0.01%)	(49.12)	0.01%	4.55	0.00%	-	0.01%	4.55
26	Jalpa Devi Engineering Private Limited	(0.22%)	(989.64)	(1.76%)	(601.76)	0.00%	-	(1.75%)	(601.76)
27	DBL Hata Dargawon Tollways Limited	0.31%	1,410.72	0.57%	194.51	0.00%	-	0.56%	194.51
28	DBL Patan Rehli Tollways Limited	0.91%	4,191.65	2.33%	797.42	0.00%	-	2.31%	797.42
29	DBL Betul Sarni Tollways Limited	0.42%	1,914.65	0.77%	264.96	0.00%	-	0.77%	264.96
30	Deevin Siesmic Systems Private Limited	0.03%	159.83	(0.08%)	(27.03)	0.00%	-	(0.08%)	(27.03)
	<b>Total (a)</b>	<b>100.00%</b>	<b>458,911.19</b>	<b>99.80%</b>	<b>34,213.07</b>	<b>100.00%</b>	<b>178.23</b>	<b>99.80%</b>	<b>34,391.30</b>
<b>C</b>	<b>Non Controlling Interest in all subsidiaries</b>	<b>2.50%</b>	<b>11,458.35</b>	<b>11.75%</b>	<b>4,765.42</b>	<b>0.00%</b>	<b>-</b>	<b>13.86%</b>	<b>4,765.42</b>
<b>II</b>	<b>Foreign</b>	-	-	-	-	-	-	-	-
<b>III</b>	<b>Associates (investment as per equity method)</b>								
	<b>Indian</b>								
1	DBL Nadiad Modasa Tollways Limited	-	-	0.20%	67.31	0.00%	-	0.20%	67.31
	<b>Total (b)</b>	-	-	<b>0.20%</b>	<b>67.31</b>	-	-	<b>0.20%</b>	<b>67.31</b>
	<b>Total (a + b)</b>	<b>100.00%</b>	<b>458,911.19</b>	<b>100.00%</b>	<b>34,280.38</b>	<b>100.00%</b>	<b>178.23</b>	<b>100.00%</b>	<b>34,458.61</b>
	<b>Eliminations (c)</b>	-	<b>(128,557.66)</b>	-	<b>6,261.23</b>	-	-	-	<b>6,261.23</b>
	<b>Total (a+b+c)</b>		<b>330,353.53</b>		<b>40,541.61</b>		<b>178.23</b>		<b>40,719.84</b>

\* Net Assets are Calculated as Total Assets less Total Liabilities

# Share in profit is shown as Profit after Tax

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### 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 :
- (a) EPC Projects : Construction /Development of Infrastructure Project
- (b) 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.
- D Assets and Liabilities that cannot be allocated between the segments are shown as a part of unallocated corporate assets and liabilities respectively

(₹ in Lakhs)

Sr. No.	Particulars	EPC Projects		Road Infrastructure Maintenance & Toll Operations		Total	
		Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019
<b>A</b>	<b>Revenue</b>						
1	Revenue from External Customers	8,89,551.33	9,09,115.49	28,630.81	15,543.93	9,18,182.14	9,24,659.42
2	Other Operating income	8,830.26	2,706.44	45,476.25	14,218.44	54,306.51	16,924.88
3	Inter-segment Revenue		-		-		-
	<b>Total Revenue From Operations</b>	<b>8,98,381.59</b>	<b>9,11,821.93</b>	<b>74,107.06</b>	<b>29,762.37</b>	<b>9,72,488.65</b>	<b>9,41,584.30</b>
4	Other Income	3,128.96	4,638.92	637.67	92.25	3,766.63	4,731.17
	<b>Total Revenue</b>	<b>9,01,510.55</b>	<b>9,16,460.85</b>	<b>74,744.73</b>	<b>29,854.62</b>	<b>9,76,255.28</b>	<b>9,46,315.47</b>
<b>B</b>	<b>Expenses</b>						
1	Total External Expenses	8,44,859.75	8,36,390.65	81,486.35	52,101.44	9,26,346.11	8,88,492.10
2	Inter-segment Expense		-		-		-
	Total Expenses	8,44,859.75	8,36,390.65	81,486.35	52,101.44	9,26,346.11	8,88,492.10
<b>C</b>	<b>Results</b>	<b>56,650.79</b>	<b>80,070.19</b>	<b>(6,741.62)</b>	<b>(22,246.83)</b>	<b>49,909.17</b>	<b>57,823.37</b>
	Profit Before Exceptional items and Tax					49,909.17	57,823.37
	Add : Exceptional items					6,985.94	(157.60)
	<b>Profit Before Tax</b>					<b>56,895.11</b>	<b>57,665.77</b>
	<b>Less : Tax Expense</b>						

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

(₹ in Lakhs)

Sr. No.	Particulars	EPC Projects		Road Infrastructure Maintenance & Toll Operations		Total	
		Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2020	Year ended 31 March 2019
	(I) Current Tax					19,935.28	12,974.60
	(II) Deferred Tax					(3,729.48)	(9,679.16)
	(III) Income tax for earlier years					215.01	-
	Add : Share of profit of associates					67.31	374.31
	<b>Net Profit</b>					<b>40,541.61</b>	<b>54,744.64</b>
<b>D</b>	<b>Other Information</b>						
1	Segment Assets	11,17,715.74	10,90,664.78	8,99,402.27	6,36,702.45	20,17,118.01	17,27,367.23
	Unallocated Corporate Assets						-
	Intersegment Assets					3,43,835.43	2,83,491.31
	<b>Total Assets</b>	<b>11,17,715.74</b>	<b>10,90,664.78</b>	<b>8,99,402.27</b>	<b>6,36,702.45</b>	<b>16,73,282.59</b>	<b>14,43,875.92</b>
2	Segment Liabilities	7,57,116.65	7,70,222.64	8,01,090.58	5,96,179.03	15,58,207.23	13,66,401.67
	Unallocated Corporate Liabilities						
	Intersegment Liabilities					2,15,278.16	2,06,005.34
	<b>Total Liabilities</b>	<b>7,57,116.65</b>	<b>7,70,222.64</b>	<b>8,01,090.58</b>	<b>5,96,179.03</b>	<b>13,42,929.06</b>	<b>11,60,396.33</b>
3	Cost to acquire Tangible & Intangible Fixed Assets	31,240.42	57,157.66	4,73,422.35	4,85,083.93	5,04,662.78	5,42,241.60
4	Depreciation & Amortisation Expense	42,412.12	32,018.75	4,635.45	4,200.75	47,047.57	36,219.50
	Unallocated Depreciation & Amortisation Expense		-	-	-	-	-
5	Non cash expenses other than depreciation and by business segment	3,750.00	11,700.00	2,086.00	2,879.07	5,836.00	14,579.07

### 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 2020

(₹ in Lakhs)

Sr. No	Particulars	31 March 2020	31 March 2019
a)	i) Principal amount remaining unpaid to supplier under the MSMED Act 2006	4,460.77	3,511.46
	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

a. Ministry of Corporate Affairs has notified Ind AS 116 "Leases" which is effective from April 1, 2019. Pursuant to this, the company has applied this standard to all lease contracts existing on April 1, 2019 using the modified retrospective approach under which the cumulative effect is recognised at the date of initial application April 1, 2019. Accordingly, the Company has not restated comparative information, instead the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. This has resulted in recognising a 'Right of Use' assets amounting to ₹ 6,415.99/- lakhs and a corresponding lease liability of ₹ 7,745.96/- lakhs by adjusting retained earnings ₹ 1,329.97 lakhs, (net of taxes ₹ 865.23 lakhs), as at April 1, 2019.

b. Following are the changes in the carrying value of right of use assets for the year ended March 31, 2020:

(₹ in Lakhs)

Particulars	ROU Assets
<b>Balance as at April 01, 2019</b>	<b>6,415.99</b>
Add: Additions	-
Less: Deletions	-
Less: Depreciation	4,034.54
<b>Balance as at March 31, 2020</b>	<b>2,381.45</b>

c. The following is the break-up of current and non-current lease liabilities as at March 31, 2020:

(₹ in Lakhs)

Particulars	31 March 2020
Current Lease Liabilities	3,512.68
Non-Current Lease Liabilities	-
<b>Total</b>	<b>3,512.68</b>

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

- d. The following is the movement in lease liabilities during the year ended March 31, 2020:

(₹ in Lakhs)

Particulars	Lease Liabilities
<b>Balance as at April 01, 2019</b>	<b>7,745.96</b>
Add: Additions	-
Add: Finance Cost accrued during the period	588.16
Less: Deletions	-
Less: Payment of Lease Liabilities	4,821.44
<b>Balance as at March 31, 2020</b>	<b>3,512.68</b>

- e. The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

(₹ in Lakhs)

Particulars	31 March 2020
Less than one year	3,512.68
One to five years	-
More than five years	-
<b>Total</b>	<b>3,512.68</b>

- f. The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.
- g. Rental expense recorded for short-term leases was ₹ 2,137.06/- lakhs for the year ended March 31, 2020.

### Note 39

- i. Balances of Debtors, Creditors, Advances, Deposits, and Unsecured Loans etc are subject to confirmation and reconciliation.
- ii. 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 40

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at 31 March 2020.

### Note 41

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 42

During the year, the Company had sold 100% shares in respect of two subsidiary companies, 15% shares (in addition to 85% shares sold in the earlier years) in respect of its seven companies, 30% shares (in addition to 70% shares sold in earlier year) in respect of one associate and 49% shares in respect of three subsidiary companies and had earned overall profit of ₹ 6985.94 lakhs and the same has been reflected as Exceptional item in the Statement of Profit & Loss.

### Note 43

- a. The company has entered into Shareholder and Share Purchase agreement with Cube Highways and Infrastructure III PTE Limited on 31 August 2019 to sell its entire shareholding in five subsidiaries having projects under construction (as per Hybrid Annuity Mode ('HAM') Projects ) for total expected consideration of ₹ 702 crores in a phased manner subject to shareholding transfer restrictions set out in concession agreement executed between National Highways Authority of India and respective subsidiaries and subject to various regulatory and lender approvals.
- b. The transaction will be completed in two stages, with the first stage to be completed after the Commercial Operation Date (the "COD") and the second stage to be completed after expiry of mandatory lock-in period as per the Concession Agreement. Total consideration as stated above, may undergo some changes as per agreed terms on account of prevailing Bank Rate, rate of interest charged by lenders of respective Project, inflation etc. on the date of COD.

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

- c. Since the above agreements are subject to regulatory approvals, lender consent and other applicable approvals, no impact of this proposed transfer has been given effect to in these results.

### Note 44

As per provisions of the Companies Act, 2013 the Company was required to spend ₹ 1224.89/- lakhs (P.Y. - ₹ 858.00/- lakhs) on CSR activities during the preceding year. The Company had incurred expenditure relating to CSR activities amounting to ₹ 192.60/- lakhs (P.Y. - ₹ 107.94/- 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 ₹ 60,000/- lakhs at year ending March 2018, the debenture redemption reserve of ₹ 15,000/- lakhs has been created and the equivalent amount has been transferred from 'Retained Earnings' to 'Debenture Redemption Reserve'."

### Note 46

"The COVID-19 pandemic has severely disrupted business operations due to lockdown and other emergency measures imposed by the governments. The operations of the Company were impacted, due to shutdown of projects and offices following nationwide lockdown. The Company continues with its operations in a phased manner in line with directives from the authorities. The Company has evaluated the impact of this pandemic on its business operations, liquidity and financial position and based on management's review of current indicators and economic conditions there is no material impact on its financial results as at March 31, 2020.

The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial results. The Company will continue to monitor any material changes to future economic conditions."

### Note 47 Loan Moratorium facility vide RBI circular

"Due to difficulty faced by the borrowers in repayment of loans due to cash flow issues amid lockdown because of Covid-19 pandemic, RBI vide its Notification Ref RBI/2019-201186 DOR. No.BP.BC.47121.04.04812019-20 dated 27 March 2020 (COVID-19 Regulatory Package) has asked the bankers to provide three months moratorium in loan repayments to its borrowers. The company has opted for this facility and has intimated to the respective bankers vide letter dated 28 March 2020 asking for keeping all the payments due from under the Consortium Loan Agreement, any interests and charges therein in abeyance for the month of April and May 2020."

### Note 48 Invocation of Force Majeure Clause due to impact of Covid-19

Ministry of Finance vide its Notification Ref. no. F.18/4/2020-PPD, has announced on 13<sup>th</sup> May 2020 that in respect of public-private partnership concession contracts, a period of the contract may have become unremunerative. Therefore, after fulfilling due procedure and wherever applicable, contractor may invoke Force Majeure Clause (FMC) for all construction/work contracts and in such event, date for completion of contractual obligations shall stand extended for a period not less than three months and not more than six months. Accordingly, the Company has invoked FMC for construction contracts and asked for extension of construction period.

### Note 49

#### (a) Loan Redemption Reserve

During the current year, the company has set aside ₹ 2817.79 lakhs towards Loan Redemption Reserve on account of amount repayable in the subsequent financial year. The treatment of LRR in computing Minimum Alternate Tax (MAT) is on the basis of technical advise obtained by the company.

#### (b) Toll Operation Suspension

Ministry of Road Transport & Highways (MORTH) has vide letter dated 25 March 2020 ordered the

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

suspension of collection of Toll from 25 March 2020 till 19 April 2020. In accordance with the same, Toll Operated SPV Companies had suspended collection of Toll during this period.

In accordance with the Concessionaire agreement entered into between the SPV Company and Madhya Pradesh Road Development Corporation, the Company has submitted letter dated 21 March 2020 initiating the Force Majeure clause as per concession agreement stating that the company will further submit the loss in toll revenue and claim an equivalent extension in the Concession agreement as and when the Force Majeure event finishes.

### Note 50 Disclosure as per Ind AS 115 – Revenue from Contract with Customers

#### (a) Contract with Customers

The company has recognised ₹ 9,51,159.83/- lakhs (P.Y. - ₹ 9,29,243.40/- lakhs) as revenue from Contracts with customers during the year.

#### (b) Disaggregation of Revenue

- Disaggregation of revenue in to Operating Segments and Geographical areas for the year ended March 31, 2020:

Segment	Revenue as per Ind AS 115		
	Domestic	Foreign	Total
EPC Projects	898,381.59	-	898,381.59
Road Infrastructure Maintenance & Toll Operations	74,107.06	-	74,107.06
<b>Total</b>	<b>972,488.65</b>	<b>-</b>	<b>972,488.65</b>
Revenue recognized Overtime			951,159.83
Revenue recognized at a Point in time			21,328.82
<b>Total</b>			<b>972,488.65</b>

#### (c) Contract Balances

Details of trade receivables, contract assets and contract liabilities arising from the contracts with customers are given below:

(₹ in Lakhs)

Particulars	31 March 2020	31 March 2019
Trade receivables (Refer Note 4)	358,598.50	195,111.81
<b>Contract Assets:</b>		-
Retention Money, Withheld Money, Security & Other Deposits (Refer Note 9)	79,102.07	90,262.45
Unbilled Revenue (Refer Note 7)	54,375.19	44,476.55
<b>Contract Liabilities:</b>		
Advances from customers (Refer Note 15)	86,331.51	55,570.74

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 recognised as Unbilled revenue and is classified as Financial Asset for these cases as right to consideration is unconditional upon passage of time.

During the year ended March 31, 2020, ₹ 44,476.55/- lakhs (P.Y. - ₹ 23,272.61/- lakhs) of opening unbilled revenue has been reclassified to Trade Receivables upon billing to customers on completion of milestone.

Changes in Contract Assets and Contract Liabilities are on account of transaction undertaken in the normal course of business.

## Notes to Financial Statements

for the year ended 31<sup>st</sup> March 2020

### (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:

- (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 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, 2020, after considering the practical expedient mentioned above is ₹ 19,08,158.43/- lakhs (P.Y. - ₹ 21,17,179.19/- lakhs) out of which 50% is expected to be recognised as revenue within the next one year and the balance thereafter.

### Note 51

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:

(₹ in Lakhs)

Particulars	Long Term Borrowings	Short Term Borrowings
<b>Balance as on 31 March 2018</b>	<b>315,076.18</b>	<b>179,785.37</b>
Add : Cash inflow	276,081.68	1,928,713.37
Less : Cash outflow	62,910.85	1,895,485.66
Add : Non - Cash inflow	154.88	-
Less : Non - Cash outflow	805.69	-
<b>Balance as on 31 March 2019</b>	<b>527,596.19</b>	<b>213,013.08</b>
Add : Cash inflow	309,411.41	2,664,539.61
Less : Cash outflow	168,323.91	2,640,971.88
Add : Non - Cash inflow	1,013.85	714.36
Less : Non - Cash outflow	-	984.34
<b>Balance as on 31 March 2020</b>	<b>669,697.54</b>	<b>236,310.83</b>

**Note 52 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)** **(Abhishek Shrivastava)**  
Chief Financial Officer Company Secretary

Place: Mumbai  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020

Place: Bhopal  
Dated: 29.05.2020



**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**

**Part "A" : Subsidiaries**

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
1	DBL Betul Sarni Tollways Limited	NA	166.08	1,748.57	24,257.46	24,257.46	NA	3,425.63	231.29	(33.67)	264.96	-	100.00%
2	DBL Hata-Dargawon Tollways Limited	NA	7.98	1,402.75	9,318.60	9,318.60	NA	1,528.12	173.11	(21.41)	194.51	-	100.00%
3	DBL Patan-Rehli Tollways Limited	NA	10.10	4,181.54	24,997.70	24,997.70	NA	3,621.56	767.06	(30.36)	797.42	-	51.10%
4	Jaipa Devi Tollways Limited	NA	418.08	19,729.13	84,466.24	84,466.24	NA	10,704.57	(400.98)	(3.46)	(397.52)	-	51.00%
5	DBL Mundargi Hara-panchalli Tollways Limited	NA	10.57	1,997.96	11,402.12	11,402.12	NA	3,297.86	1,560.20	124.61	1,435.59	-	100.00%
6	DBL Hassan Periapatna-tollways Limited	NA	8.72	3,364.72	19,420.30	19,420.30	NA	4,977.24	2,786.76	(105.57)	2,892.33	-	100.00%
7	DBL Hirekur Raniben-nur Tollways Limited	NA	11.98	1,657.28	13,776.85	13,776.85	NA	3,609.90	1,435.63	(117.94)	1,553.57	-	100.00%
8	DBL Lucknow Sultanpur Highways Limited	NA	209.96	3,768.92	107,728.32	107,728.32	NA	14,834.75	6,790.62	497.13	6,293.49	-	51.00%
9	DBL Kalmath Zarap Highways Limited	NA	5.00	(5,338.51)	38,175.71	38,175.71	NA	16,232.95	(3,218.49)		(3,218.49)	-	100.00%
10	Jaipa Devi Engineering Private Limited	NA	5.00	(994.64)	10,529.30	10,529.30	NA	852.01	(601.45)	0.30	(601.75)	-	100.00%
11	DBL Tuljapur Ausa Highways Limited	NA	14.37	1,197.68	32,797.06	32,797.06	NA	11,513.42	522.39	183.01	339.38	-	51.00%
12	Bhavya Infra & Systems Private Limited	NA	29.59	(78.71)	867.02	867.02	NA	215.30	1.61	(2.94)	4.55	-	100.00%
13	DBL Yavatmal Wardha Private Limited	NA	10.00	57.35	50,368.20	50,368.20	1.68	7,948.12	3,269.04	569.06	2,699.99	-	51.00%
14	DBL Mahagaon Yavatmal Highways Private Limited	NA	14.58	(866.57)	39,958.59	39,958.59	NA	11,039.53	(3,291.81)	0.45	(3,292.25)	-	100.00%
15	DBL Wardha Butibori Highways Private Limited	NA	20.52	2,460.36	40,191.09	40,191.09	NA	10,177.49	759.79	296.08	463.71	-	100.00%
16	DBL- VPR Mining private Limited	NA	1.00	(1.99)	0.76	0.76	NA	-	(0.87)	-	(0.87)	-	74.00%

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
17	DBL Chandikhole Bhadrak Highways Private Limited	NA	39.53	3,224.60	35,549.91	35,549.91	NA	33,004.70	(2,097.36)	89.36	(2,186.72)	-	100.00%
18	DBL Anandapuram Anakapalli Highways Private Limited	NA	39.98	6,124.03	61,770.59	61,770.59	NA	57,720.33	(3,180.38)	-	(3,180.38)	-	100.00%
19	DBL Bangalore Nidagatta Highways Private Limited	NA	32.43	19,705.73	53,968.46	53,968.46	NA	71,328.05	(1,419.03)	2.20	(1,421.24)	-	100.00%
20	DBL Gorhar Khairatunda Highways Private Limited	NA	70.81	2,647.72	21,777.52	21,777.52	NA	28,911.17	(829.35)	33.68	(863.04)	-	100.00%
21	DBL Nidagatta Mysore Highways Private Limited	NA	18.27	10,222.54	32,194.99	32,194.99	NA	31,660.87	(443.44)	19.31	(462.75)	-	100.00%
22	DBL Rewa Sidhi Highways Private Limited	NA	15.96	1,748.63	29,075.70	29,075.70	NA	22,343.71	(1,871.54)	-	(1,871.54)	-	100.00%
23	DBL Byrapura Challakere Highways Private Limited	NA	73.01	1,997.75	20,975.10	20,975.10	NA	33,974.56	(1,525.57)	1.86	(1,527.43)	-	100.00%
24	DBL Mangloor Highways Private Limited	NA	35.75	1,486.90	25,336.36	25,336.36	NA	31,969.02	(1,380.54)	62.67	(1,443.21)	-	100.00%
25	DBL Sangli Borgaon Highways Private Limited	NA	16.09	4,130.19	27,417.97	27,417.97	NA	25,102.71	(930.80)	-	(930.80)	-	100.00%
26	DBL Bargaon Watambare Highways Private Limited	NA	22.60	3,247.27	26,621.60	26,621.60	NA	44,151.55	(1,483.32)	-	(1,483.32)	-	100.00%
27	DBL Mangalwedha Solapur Highways Private Limited	NA	19.19	3,830.63	26,663.10	26,663.10	NA	35,636.33	(1,376.63)	-	(1,376.63)	-	100.00%
28	DBL Bellary Byrapura Highways Private Limited	NA	75.06	4,125.37	27,900.49	27,900.49	NA	30,365.33	(928.97)	-	(928.97)	-	100.00%
29	DBL Pachwara Coal Mines Private Limited	NA	1.00	(28.12)	37.71	37.71	NA	-	(9.98)	-	(9.98)	-	74.00%
30	Deevin Seismic Systems Private Limited	NA	1.60	173.73	3,012.56	3,012.56	NA	76.96	(42.72)	(15.69)	(27.03)	-	100.00%

**Names of the subsidiaries which are yet to commence operations :**

Sr. No.	Name of the Companies
1	DBL- VPR Mining private Limited
2	DBL Pachwara Coal Mines Private Limited

**Name of the subsidiary which have been liquidated during the year :**

Sr. No.	Name of the Companies
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)**

Sr. No.	Name of the Associates and Joint Ventures	Latest audited Balance Sheet Date	Shares of Associate/Joint Ventures held by the Company on the year end: No. : Amount of Investment in Associate /Joint Venture : Extend of Holding %	Description of how there is significant influence	Reason why the associate/ jointventure is not consolidated	Networth attributable to shareholding as per latest audited Balance Sheet	Profit or Loss for the year considered in Consolidation
1	DBL Nadiad Modasa Tollways Limited	27.05.2020	26.00%	N.A.		5,252.07	258.89

**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  
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**(S. M. Chitale)**  
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Director  
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Chief Financial Officer      Company Secretary

Place: Mumbai  
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Dabolim Airport, Goa



**DILIP BUILDCON LIMITED**  
INFRASTRUCTURE & BEYOND

## **Dilip Buildcon Limited**

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