

03.09.2019

To,
The Listing Department
National stock Exchange of India Limited
Exchange Plaza, C- Block G,
Bandra Kurla Complex
Bandra (E) Mumbai -400051

Dear Sir/Ma'am

Sub: Annual Report for the Financial Year 2018-19

Ref: DRSDILIP

We wish to inform you that 10th Annual General Meeting {AGM} of the Company is scheduled to be held on Friday, 27th day of September, 2019 at 03.00 P.M at 2nd Floor, Kabra Complex, 61, MG Road Secunderabad 500003.

Pursuant to Regulation 34 of SEBI {Listing Obligations and Disclosure Requirements} Regulations, 2015, we are submitting herewith the Annual Report of the Company for the financial year 2018-19. The Annual Report along with Notice of AGM are also being uploaded on the Company's website i.e. www.drssindia.in

This is for your information and necessary record

Regards

For DRS Dilip Roadlines Limited

Dayanand Agarwal
Chairman & Managing Director

Encl.: As Above:


DRS
Dilip RoadLines
Limited





10TH ANNUAL REPORT

2018-2019

DRS DILIP ROADLINES LIMITED

Formerly known as *(DRS DILIP ROADLINES PRIVATE LIMITED)*

Corporate Information

Executive Directors	Designation
Dayanand Agarwal	Chairman & Managing Director
Sugan Chand Sharma	Wholetime Director
Non Executive & Independent Directors	Chief Executive Officer(KMP)
M. B. Suneel	Anjani Kumar Agarwal
Ajay Kumar Agarwal	
Non Executive Director	Chief Financial Officer(KMP)
Shamantha Dodla	C. S Raghunandan
Statutory Auditors	Internal Auditors
<u>Outgoing Auditors</u> M/s M Anandam & Co.,Chartered Accountants, 7 A, Surya Towers, S. P. Road, Secunderabad-500003.	A Tibrewala & Associates, Chartered Accountants. 803, 8 th Floor, 5-8-352, Raghava Ratna Towers, Chiraag Ali Lane, Abids, Hyderabad - 500001
<u>Proposed Auditors</u> M/s Ramanatham & Rao.,Chartered Accountants Flat No.302, Kala Mansion, S.D Road, Secunderabad-500003.	
Bankers	Registrar & Share Transfer Agents
ICICI BANK LTD.	M/s. Bigshare Services Private Limited 306, Right Wing, Amrutha Ville Opp.Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad – 500 082.
Registered Office	Corporate Office at Hyderabad
306, Kabra Complex, 61, MG Road Secunderabad - 500 003 Phone: 040 27711504, 040 27711276 Email: info@drsindia.in	220to 224, 2nd Floor, Kabra Complex, 61, MG Road Secunderabad -500003 Email: info@drsindia.in
Website & email Id for Investors	10th Annual General Meeting
Website : www.drsindia.in email Id : investors@drsindia.in	Day, Date & Time : Friday, 27th September, 2019 at 03.00 P.M Venue: 2nd Floor, Kabra Complex, 61,M G Road, Secunderabad -500003
Secretarial Consultants	
M/s. P.S Rao & Associates Company Secretaries Flat No: 10, 4th Floor # 6-3-347/22/2, Dwarkapuri Colony, Panjagutta, Hyderabad- 082	
Cut-off Date	Book Closure
Date: 20 th September, 2019 [Friday]	From: 21 th September, 2019 [Saturday] To: 27 th September, 2019 [Friday] (Both days inclusive)

Notice

Notice is hereby given that the Tenth (10th) Annual General Meeting of the members of **DRS DILIP ROADLINES LIMITED** will be held on Friday, 27th day of September, 2019 at 3.00 P.M. at 2nd Floor, Kabra Complex, 61, M G Road, Secunderabad 500003, to transact the following items of business:

ORDINARY BUSINESS**Item 1: Adoption of Financial Statement.**

To receive consider and adopt the audited Financial Statement of the Company for the Financial Year ended 2018-19 together with the Reports of the Board of Directors and Auditors thereon.

Item 2: Re-appointment of Director.

To appoint a Director in place of Ms. Shamantha Dodla (DIN: 08165176) who retires by rotation and being eligible offers herself for re-appointment.

Item 3: Appointment of Auditor.

To appoint Statutory Auditors of the Company and to fix their remuneration and in this regard, to consider and thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of Section 139,141 and 142 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the ‘Act ‘) and Rules there under, M/s Ramanatham & Rao, Chartered Accountants,(Registration No 002934S), be and are hereby appointed as the Statutory Auditors of the Company to hold office for a period of 5 years, i.e.; from the conclusion of the 10th Annual General Meeting till the conclusion of the 15th Annual General Meeting, at such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to the reimbursement of all out of pocket expenses incurred in connection therewith”

SPECIAL BUSINESS**Item 4: To approve utilization of IPO proceeds.**

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

RESOLVED THAT pursuant to regulation 32 and all other applicable regulations of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 and any other applicable provisions under any other Act or Rules, the utilization of proceeds of IPO (containing deviation in the use of proceeds from the objects stated in the offer document), further detailed in the Explanatory Statement hereto, as reviewed and approved by the Audit Committee be and is hereby ratified.

FURTHER RESOLVED THAT the Board of Directors of the Company be and are authorized to do all such acts and deeds as regards the utilization of IPO proceeds (including deviations, if any, of temporary nature).

24th August, 2019
Hyderabad

By the Order of the Board
For **DRS DILIP ROADLINES LIMITED**

Sd/-
Dayanand Agarwal
Chairman & Managing Director
DIN: 00006668

NOTES

1. **A member entitled to attend and vote at the annual general meeting is entitled to appoint one or more proxy(ies) to attend and vote on poll, instead of himself/herself. A proxy need not be a member of the company.** The instrument appointing the proxy should be duly completed and deposited at the registered office of the company not less than 48 hours before the commencement of the annual general meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
3. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send to the company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
5. Explanatory Statement, pursuant to section 102 of the Companies Act, 2013, in respect of Special Business is attached herewith.
6. **The Register of Members and Share Transfer Books will remain closed from Saturday, September 21, 2019 to Friday, September 27, 2019 (both days inclusive).**
7. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days during business hours upto the date of the Annual General Meeting.
8. Members holding shares in Physical form are requested to advise any change of address immediately to the Company/ Registrar and Share Transfer Agent.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) and bank details of the members of the Company by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form may submit their PAN and bank details to the Company / Big Share Services (P) Ltd.
10. Members who are holding Physical Shares in identical order of names in more than one folio are requested to send to the Company or to the Company's Share Transfer agent, the details of such folios together with the Share Certificates for consolidating their holding into single folio. The Share Certificates will be returned to the members after making requisite changes thereon.
11. Members are requested to mandatorily quote their Registered Folio No. or Demat Account

No. and Depository Participant Identification Number (DPID No) on all correspondence with the company.

Securities and Exchange Board of India [SEBI] has mandated that securities of Listed Companies can be transferred only in dematerialised form with effect from April 1, 2019. Accordingly, the Company / the RTA has stopped accepting any fresh lodgement of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation.

12. Members are advised to update their email IDs with Company's RTA and/or concerned Depository participants as soon as possible.
13. As per Secretarial Standards 2 (SS-2), complete particulars of the venue of the Meeting (route map) is attached herewith to the Notice.
14. Information in respect of Directors seeking re-appointment as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 is attached herewith to the Notice.

15. Remote E-Voting :

The items of business set out in the Notice may be transacted through electronic voting system. Therefore, the Company is providing facility for voting by electronic means. Pursuant to Section 108 of the Companies Act 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and in force as on date and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer remote e-voting facility, as an alternate, to its members in respect of the business to be transacted at the AGM.

The members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, September 20, 2019, i.e. the date prior to the commencement of Book Closure , are entitled to vote on the resolutions set forth in this Notice. Eligible members who have acquired shares after the dispatch of the Annual Report may approach the Company for required assistance in connection with generation of the User ID / Password in order to exercise their right to vote by electronic means. The remote e-voting period will commence at 9.00 A.M. on Tuesday, September 24, 2019 and will end at 5.00 P.M. on Thursday, September 26, 2019. The members will not be able to cast their votes electronically beyond the date and time mentioned above.

The Company has appointed Mr. Anand Kumar C Kasat, Practicing Company Secretary (M. No. 42078 C.P No. 17420) to act as the Scrutinizer to conduct and scrutinize the voting process in a fair and transparent manner. The Members desiring to vote through electronic mode may refer to the detailed procedure on remote e-voting given hereunder:

PROCEDURE FOR REMOTE E-VOTING:

The remote e voting period begins at 9.00 A.M. on Tuesday, September 24, 2019 and will end at 5.00 P.M. on Thursday, September 26, 2019. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form as on the cut-off date i.e. September 20, 2019, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

A. In case of members receiving e-mail (for members whose e-mail address are registered with the Company/Depositories)

- (i) The shareholders should log on to the remote e-voting website www.evotingindia.com.
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat/ Physical Form	
PAN	<p>Enter your 10digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> ▪ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. ▪ In case the sequence number is less than 8 digits enter the applicable number of '0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> ▪ Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member ID / folio number in the Dividend Bank details field as mentioned in instruction (iii).

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting of resolutions of any other company on which they are eligible to vote, provided that company opts for remote e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts; they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xviii) In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

B. In case of members receiving the physical copy of Notice of AGM (for members whose e-mail ids are not registered with the Company/Depositories):

Please follow all the steps from Sl. No. (i) to Sl. No.(xvii) to cast vote

The Scrutinizer shall immediately, after the conclusion of voting at the AGM, count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least 2 witnesses not in the employment of the Company and make, not later than 2 days of conclusion of the Meeting, a consolidated Scrutiniser’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the result of voting forthwith.

Members who do not have access to remote e-voting facility have been additionally provided with the facility of voting through Ballot Form. The facility for physical voting, shall be made available at the Meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the Meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

A member can opt for only one mode of voting, i.e., either through remote e-voting or by Ballot. If a member casts votes by both modes, then voting done through remote e-voting shall prevail and Ballot shall be treated as invalid.

Members have the option to request for physical copy of Ballot Form by sending an e-mail to investors@drsindia.in by mentioning their Folio / DP ID and Client ID.

The results declared along with the Scrutinizer's Report will be posted on the Company’s website and communicated to the Stock Exchange.

By the Order of the Board
For **DRS DILIP ROADLINES LIMITED**

Sd/-
Dayanand Agarwal
Chairman & Managing Director
DIN: 00006668

24th August, 2019
Hyderabad

**EXPLANATORY STATEMENT
(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)**

Item No. 4

As the members are aware, your Company completed its IPO in the month of December, 2018, raising an amount of Rs.31.50 Crores. The said IPO proceeds have been deployed as per the Objects and schedule mentioned in the Offer Document. However, an amount of Rs.2.44 Crores was used towards purchase of trucks and for General Corporate purposes instead of part payment of term loans, due to urgent business needs.

The deployment of IPO proceeds has been reviewed by the Audit Committee of the Company and has been certified by the Statutory Auditors. Nevertheless, the Board of Directors thought it fit to present the matter to the members for their consideration.

In the said regard, necessary disclosures have already been made to the Stock Exchange, pursuant to SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015. While doing so, it was undertaken to communicate the said deviation / changes to the members and seek their approval.

Hence, the resolution is proposed for your consideration.

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the said resolution, except to the extent of shares held by them in the paid up share capital of the Company.

By the Order of the Board
For **DRS DILIP ROADLINES LIMITED**

Sd/-
Dayanand Agarwal
Chairman & Managing Director
DIN: 00006668

24th August, 2019
Hyderabad

Information in respect of Director seeking appointment/ re-appointment as required under SEBI(Listing Obligations and Disclosure Requirements) Regulation, 2015 read with Secretarial Standards on General Meetings issued by ICSI.

Name of the director	Ms Shamantha Dodla
Date of First Appointment on the Board	01.07.2018
Date of Appointment	01.07.2018
Date of Birth	08.07.1968
Expertise in Specific Functional areas	Experience of more than 28 years in Finance and Banking matters
Educational Qualification	Under Graduate
Directorships in other Companies including Listed Companies.	Nil
Membership / Chairmanships of committees of Board (other than DRS Dilip)	Nil
Shareholding in the Company as on 31.03.2019	16 Equity Shares
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Not related to any Director or any KMP
Terms and conditions of re-appointment along with details of remuneration sought to be paid and the remuneration last drawn	Appointed as Non-Executive Director who is liable to retire by rotation. No remuneration.
Number of Meetings of the Board attended during the year 2018-19	6 (six)

Directors' Report

Dear Members,

Your Directors take pleasure in presenting the 10th Annual Report on the business and operations of the company together with the audited Financial Statements along with the report of Auditors for the financial year ended March 31, 2019.

FINANCIAL PERFORMANCE

Our Financial Performance for the year ended March 31, 2019 is summarized below:

(Amount in Rs.)

Particulars	2018-19	2017-18
Turnover	1,502,407,456	1,424,865,451
Other Income	588,934	1,305,935
Total Income	1,502,996,390	1,426,171,386
PBIDT	108,354,053	114,969,105
Less: (i) Interest	(26,269,704)	(25,071,619)
(II) Depreciation	(50,588,673)	(58,962,193)
Profit Before Exceptional Item and Tax	31,495,676	30,935,293
Exceptional Item	-	-
Profit Before Tax	31,495,676	30,935,293
Less: Provision for Tax		
- Current	64,83,952	6,307,350
Earlier year taxes	16,81,885	-
MAT credit	19,40,093	63,07,350
- Deferred	(10,20,898)	(58,87,962)
Profit After Tax	2,62,90,830	2,50,47,331
Earnings Per Share (EPS)	1.75	2.31

PERFORMANCE SUMMARY AND STATE OF AFFAIRS

We have achieved an operational turnover of Rs. 150.24 Crore and Profit after Tax (PAT) of Rs.2.63 Crore for the FY 2018-19 as against an operational turnover of Rs.142.49 Crores and profit after tax (PAT) of Rs.2.51 Crores for the FY 2017-18.

Despite macro level issues, which worked against the prospects of the Company's business, we could report revenues and profitability better than that of previous year. We have been persistently working towards increasing the revenues and profitability in every possible manner.

With the aforesaid performance in the hindsight, we, at the management level, are definitely spirited to record better results in the ensuing Financial Year.

TRANSFER TO RESERVES:

We do not propose any amount to be transferred to the Reserves for the current Financial Year.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE COMPANY

There have been no material changes and commitments affecting the financial position of the company between the end of the financial year and the date of this report.

NATURE OF BUSINESS

There has been no change in the nature of business of your Company during the FY ended 31st March, 2019.

DIVIDEND

As you are aware, the capital base of the Company has almost doubled during the FY 2018-19. However, there has been no corresponding increase in the distributable profits for the said FY. In this backdrop, recommending any Dividend would create undue pressure on the financial position of the Company. Hence, the Board of Directors do not recommend any dividend for the financial year ended 31st March, 2019.

CORPORATE RESTRUCTURING:

During the FY ended 31st March, 2019, the following Corporate Restructuring measures were undertaken / completed successfully:

1. The merger of DRS Warehousing (South) Private Limited, the wholly owned subsidiary, with the Company vide a Scheme of Amalgamation between DRS Dilip Roadlines Private Limited (Transferee Company) and DRS Warehousing (South) Private Limited (Transferor Company) and their respective Shareholders and Creditors U/s 233 of the Companies Act, 2013, effective 01st April, 2017 was confirmed by the Regional Director, vide Order, Dated 25.05.2018.
2. Subsequently, the status of the Company was changed from Private Limited to Public Limited Company and the name of the Company was changed to DRS Dilip Roadlines Limited. A fresh certificate of incorporation consequent upon conversion from Private Limited to Public Limited was issued by the Registrar of Companies, Hyderabad, Telangana on September 06, 2018.
3. During the year under review, 38,54,403 equity shares of Rs.10 each were issued and allotted by way of Bonus, in the ratio of 11:20, in order to capitalize a sum of Rs.3,85,44,030 standing against securities premium account in the books of the Company.

4. INITIAL PUBLIC OFFER

As you are aware, your Company conducted an IPO of its equity shares, wherein 42 lacs were subscribed by the Public, thus raising an amount of Rs.31.5 Crores. Your Company got listed on the SME platform of the National Stock Exchange of India, i.e., NSE Emerge.

The primary objectives of the issue were to raise funds for setting up new branches, setting up additional warehouses and to repay the debts.:

This will help the Company reduce its dependence on borrowed funds and in turn reduce its debt burden. With the ease of availability of funds at its disposal, your management hopes the Company will be able to overcome the funding obstacles and will be able to plan its future course of action in a better manner.

The capital structure of the Company as on March 31, 2019 stands as mentioned below:

Si. No	Particulars	At the end of FY ended 2019 (Amt. in Rs.)
1	Authorised Capital 17,000,000 Equity Shares of Rs.10 each	170,000,000
2	Issued, Subscribed & Paid up Capital 150,62,403 Equity Shares of Rs.10 each	150,624,030

UTILIZATION OF IPO PROCEEDS - DEVIATION THEREIN:

As mentioned elsewhere in this Report, your Company raised an amount of Rs.31.50 Crores by way of IPO. The said IPO proceeds have been deployed as per the Objects and schedule mentioned in the Offer Document. However, an amount of Rs.2.44 Crores was used towards purchase of trucks and for General Corporate purposes instead of part payment of term loans, due to urgent business needs.

The deployment of IPO proceeds has been reviewed by the Audit Committee of the Company and has been certified by the Statutory Auditors. However, pursuant to the undertaking made during Half yearly results and also as a matter of good Corporate Governance and transparency, relevant draft resolution seeking consent of members for ratifying the said deviation is being proposed in the Notice attached herewith.

In the said regard, necessary disclosures have already been made to the Stock Exchange, pursuant to SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors is duly constituted and has optimum combination of both executive and non-executive directors

Executive Directors:

DIN	Name	Director wef	Change in designation	wef	Tenure
0000668	Mr. Dayanand Aggarwal	01.12.2016	Chairman and Managing Director	01.07.2018	For 3 years till 30.06.2021
07064674	Mr. Sughan Chand Sharma	24.07.2015	Whole Time Director	01.07.2018	For 3 years till 30.06.2021

Non-Executive Directors:

DIN	Name	Designation	Appointed w.e.f
07231926	Mr. Ajai Kumar Agarwal	Independent Director	For 5 years w.e.f 01.07.2018 to 30.06.2023
05356985	Mr. M. B. Suneel	Independent Director	For 5 years w.e.f 01.07.2018 to 30.06.2023
08165176	Mrs. Shamantha Dodla	Non-Executive Woman Director	01.07.2018

Key Managerial Personnel:

Name	Designation	Appointed w.e.f	Resigned w.e.f
Mr. C.S Raghunandan	Chief Financial Officer	01.07.2018	---
Mr. Anjani Kumar Agarwal	Chief Executive Officer	01.07.2018	---
Mr. Anil Kumar Ganga	Company Secretary	01.07.2018	22.01.2019
Ms. Pooja Bang	Company Secretary	22.01.2019	16.07.2019

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and in accordance with provisions of Articles of Association of the Company, Mrs. Shamantha Dodla, retires by rotation at the ensuing AGM and being eligible, offers herself for re-appointment.

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received respective declarations from both its Independent Directors confirming that they meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015.

COMPOSITION OF BOARD COMMITTEES

We have in place all the Committees of the Board which are required to be constituted under the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The following are the committees of the Board:

Audit Committee

Mr. Ajai Kumar Agarwal	- Chairman
Mr. M. B. Suneel	- Member
Mr. Dayanand Agarwal	- Member

Nomination and Remuneration Committee

Mr. Ajai Kumar Agarwal	- Chairman
Mr. M. B. Suneel	- Member
Mr. Shamantha Dodla	- Member

Stakeholders' Relationship Committee

Mr. M. B. Suneel	- Chairman
Mr. Ajai Kumar Agarwal	- Member
Mr. Sugan Chand Sharma	- Member

Internal Complaints Committee

Ms. Malthi	- Presiding Officer
Mr. Sugan Chand Sharma	- Member
Mr. Jitender Shah	- Member
Mr. Shiva	- Member

BOARD EVALUATION

In terms of the requirements of the Companies Act, 2013 and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with an aim to improve the effectiveness of the Board and the Committees.

During the year, Board Evaluation cycle was completed by the Company internally which included the evaluation of the Board as a whole, its Committees as well as peer evaluation of directors. The exercise was led by the Chairman of Nomination and Remuneration Committee of the Company. The evaluation process focused on various aspects of the functioning of the Board and Committees such as composition of the Board and its committees, experience and competencies, performance of special duties and obligations, governance issues etc. As an outcome of the exercise, it was noted that the Board as a whole is functioning as cohesive body which is well engaged with different perspectives.. Further, performance evaluation was also carried out for Mrs.Shamantha Dodla, who retires by rotation and being eligible has offered herself for reappointment.

Also, the performance of the Independent Directors was evaluated by the entire Board of Directors and all the Independent Directors fulfills the independence criteria and are independent of the management as set out in the provisions of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

POLICY ON DIRECTORS' APPOINTMENT, REMUNERATION, ETC.,

The following policies are attached herewith and marked as **Annexure –VII** and **VIII** respectively:

- a. Policy for selection of Directors including qualifications, positive attributes and independence of a director evaluation mechanism.
- b. Remuneration Policy for Directors, Key managerial Personnel and other employees.

MEETINGS OF THE BOARD OF DIRECTORS

The meetings of the Board are scheduled at regular intervals to discuss and decide on business performance, policies, strategies and other matters of significance.

The Board has duly met 13 times during the Financial Year 2018-19 i.e., 10th April, 2018, 20th April, 2018, 1st May, 2018, 23rd June, 2018, 1st July, 2018, 20th July, 2018, 8th August, 2018, 3rd September, 2018, 7th September, 2018, 24th September, 2018, 6th December, 2018, 10th December, 2018 and 22nd January, 2019. The intervening gap between any two consecutive Board Meetings was within the period prescribed under the provisions of the Companies Act, 2013.

Name	Category	No. of Board Meetings Attended
Promoter & Executive Directors		
Mr. Dayanand Agarwal	Chairman & Managing Director	12/13
Mr. Sujan Chand Sharma	WholeTime Director	12/13
Non - Promoter & Non - Executive Directors		
Mr. M. B. Suneel	Independent Director	2/8
Ms. Ajai Kumar Agarwal	Independent Director	2/8
Mr. Shamantha Dodla	Non-Executive Director	6/8

Attendance in the Board Meetings:

Sl. No	Date of Board Meeting	Mr.Dayana nd Agarwal	Mr.Sugan Chand Sharma	Mr.Mamidi Suneel Bhudevi	Mr.Ajai Kumar Agarwal	Ms.Shamantha Dodia
1.	10.04.2018	Yes	Yes	N/A	N/A	N/A
2.	20.04.2018	Yes	Yes	N/A	N/A	N/A
3.	01.05.2018	Yes	Yes	N/A	N/A	N/A
4.	23.06.2018	Yes	Yes	N/A	N/A	N/A
5.	01.07.2018	Yes	Yes	N/A	N/A	N/A
6.	20.07.2018	Yes	Yes	Yes	Yes	Yes
7.	08.08.2018	Yes	No	No	No	Yes
8.	03.09.2018	Yes	Yes	No	No	Yes
9.	07.09.2018	Yes	Yes	No	No	No
10.	24.09.2018	Yes	Yes	No	No	Yes
11.	06.12.2018	Yes	Yes	Yes	Yes	No
12.	10.12.2018	Yes	Yes	No	No	Yes
13.	22.01.2019	No	Yes	No	No	Yes

INTERNAL FINANCIAL CONTROL SYSTEMS

We have adopted policies and procedures which enables implementation of appropriate internal financial controls across the organization and also ensures the orderly and efficient conduct of business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud, error reporting mechanism, the accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures. Internal Financial Controls are an integrated part of the Risk Management Process, addressing financial and financial reporting risks. The Internal Financial Controls have been documented, digitized and embedded in the business process.

Assurance on the effectiveness of the Internal Financial Controls is obtained through our management reviews, control self-assessment, continuous monitoring by functional experts as well as testing of the Internal Financial Control systems by the Internal Auditor during the course of audits. We believe that these systems provide reasonable assurance that our Internal Financial Controls are in commensurate with the requirements of our organization.

AUDITORS

Statutory Auditors:

The tenure of Statutory Auditors, M. Anandam & Co, Chartered Accountants expires on the conclusion of 10th Annual General Meeting.

Hence, it is being proposed to appoint – on approval of members of the Company - M/s Ramanatham & Rao, Chartered Accountants,(Registration No 002934S), as the Statutory Auditors of the Company to hold office for a period of 5 years, i.e.; from the conclusion of the 10th Annual General Meeting till the conclusion of the 15th Annual General Meeting, at such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to the reimbursement of all out of pocket expenses incurred in connection therewith.

Internal Auditors

The Board of Directors, based on the recommendations of the Audit Committee, has re-appointed M/s. A Tibrewala & Associates, Chartered Accountants, Hyderabad, as the Internal Auditors of the Company, who are submitting its report on quarterly basis.

Secretarial Auditors:

Pursuant to the provisions of Section 204 of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed Mr. Anand Kumar C. Kasat, Company Secretary in Practice to undertake the secretarial audit of the Company.

The copy of said Secretarial Audit Report is attached herewith and marked as **Annexure –II**.

Auditors Observation(s):**Statutory Auditor’s Observations:**

<u>Auditors’ Observations</u>	<u>Directors Explanation</u>
The Company is not regular in depositing undisputed statutory dues including PF, ESI, Income Tax, Sales Tax etc	The delay was on account of temporary liquidity crunch. The management assures that all the statutory payments henceforth will be paid or deposited within due date
Disputed Service Tax	Matters pending before various Tribunals / Authorities
Out of IPO funds, Rs.2.43 Crores utilized for other business non IPO objectives	Explanation provided elsewhere in this Report. Ratification of deviation, being proposed for members consideration.

Secretarial Auditors’ Observations:

We would like to clarify that the instances of delay reported by the Secretarial Auditor were just clerical in nature and self-explanatory. Further, deviation in utilisation of IPO proceeds has been already explained elsewhere in this Report.

In view of the said, no further explanation is being provided thereon.

COST RECORDS:

We confirm that the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 and hence accounts and records related thereto are not required to be made or maintained.

SECRETARIAL STANDARDS:

The Company complies with all the applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

CONTRACTS OR AGREEMENTS WITH RELATED PARTIES

During the FY under review, transactions were conducted by the Company pursuant to the Agreements entered into with its Related Parties during previous years / financial year under review; the same were on an arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or any related party which may have a potential conflict with the interest of the Company at large.

As a matter of Company's Policy all Related Party Transactions are placed before the Audit Committee and the Board for its approval.

The details of related party transactions which were entered into during the previous years/ current year are provided in the Note No. 31 forming part of the notes to financial statements.

As per Section 134(3)(h) of the Companies act, 2013, the particulars of related party transactions as referred to in Section 188(1) of the Companies act, 2013 have been disclosed in Form No. AOC – 2 which is appended as **Annexure –I** to this Report.

FIXED DEPOSITS

We have neither accepted nor repaid any deposits during the FY ended 31st March, 2019. Further, there were no outstanding deposits as at the beginning of the FY or at any time during the FY 2019. Hence, there are no details to be provided pursuant to Rule 8 (5) (v) & (vi) of Companies (Accounts) Rules, 2014.

Further, the details of unsecured loans borrowed from Directors during the FY ended 31st March, 2019 and / or outstanding as on the said date are as hereunder:

Sl. No.	Name	Borrowings / repayment during the year (Rs. In lacs)	Amt. outstanding as on 31 st March, 2019 (Rs. In lacs)
1.	Mr. Dayanand Agarwal	(245.63)	184.94
2.	Mr. Sujan Chand Sharma	25.10	42.10

Further, the said Directors have provided declaration(s) in writing that the amounts lent by them are their own funds and not been given out of funds acquired by them by borrowing or accepting loans or deposits from others.

ANNUAL RETURN

In accordance with Section 134 (3) (a) of the Companies Act, 2013, an extract of the Annual Return in the prescribed format i.e. Form MGT -9 is appended as **Annexure –IV** to this Report and the same is uploaded on the website of the Company www.drsdilip.in.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In terms of the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formalized the process and institutionalized 'Whistle Blower Policy' within the Company, whereby employees and other stakeholders can report matters such as generic grievances, corruption, misconduct, illegality and wastage/misappropriation of assets to the Company.

The policy safeguards the whistle blowers to report concerns or grievances and also provides direct access to the Chairman of the Audit Committee.

The details of the vigil mechanism are provided in the **Annexure IX** to this Report.

RISK MANAGEMENT

We have been following the principle of risk minimization vis a vis our business needs and the industry norms.

The Role of Risk Management department includes the implementation of Risk Management Systems and framework, review of the Company's financial and risk management policies, assessment of Risk and Procedures to minimize the same.

The Department has been entrusted with the responsibility to assist the Board in
(a) overseeing and approving the Company's enterprise wide risk management framework and
(b) overseeing that all the risks that the organization faces such as financial, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and ensuring that there is an adequate risk management mechanism in place capable of addressing those risks.

The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report.

MANAGEMENT DISCUSSION AND ANALYSIS

In accordance with the provisions of SEBI (LODR) Regulations, 2015, a Report on the Management Discussion and Analysis is set out in **Annexure-V** attached to this Report

CORPORATE GOVERNANCE:

Highest standards of Corporate Governance practices are maintained and followed in every walk of life of our Company. Corporate Governance is intended to increase the accountability of the company and avoid massive disasters before they occur. Corporate Governance is adopted in order to create a corporate culture of transparency, accountability and disclosure.

DISPATCH OF ANNUAL REPORTS

In compliance of the applicable provisions, we shall dispatch the Annual Report for the FY 2018-19 in electronic format to all our members whose E-Mail addresses are registered and updated with our Registrar & Transfer Agents. To all the other members, the Annual Report will be sent in physical format.

LISTING & TRADING

Our Equity Shares are listed on NSE India Limited, Mumbai. The listing fee for the financial year 2018-19 has been duly paid. You may further note that the listing/ trading was never suspended at any time during the financial year 2018-19.

Series : SM

Symbol : DRSDILIP

ISIN : INE02CV01017

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended in respect of our employees, is attached herewith and marked as **Annexure –VI** (i).

We do hereby affirm that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Further, we do not have any employee whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) (i)& (ii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 i.e.Rs.8.5 lakhs per month or Rs.1.02Crores per annum

Moreover, no employee was in receipt of remuneration in excess of that drawn by the Managing Director or Whole Time Director and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company..

Further, details of top ten employees in terms of remuneration drawn during the financial year ended 31st March, 2019 as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, is attached herewith and marked as **Annexure- VI (ii)**.

LOANS, GUARANTEES OR INVESTMENTS

We have not given any loan or made investment or given guarantee or provided security as envisaged under Section 186 of the Act.

DEMATERIALIZATION OF SHARES

100% of the total paid up equity shares of our Company are in dematerialized form as on 31st March, 2019. (Only 48 Shares are in Physical form, the percentage of which is very negligible).

DIRECTORS' RESPONSIBILITY STATEMENT:

As required under Section 134(5) of the Companies Act, 2013, the Directors confirm that:

- i. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and that no material departures are made from the same ;
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the Financial year and of the profits of the company for the period;
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. The annual accounts have been prepared on a going concern basis.

- v. They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no orders passed by the Regulators / Courts which would impact the going concern status of your Company and its future operations.

Further, we confirm that there were no instances of fraud to be reported by the Auditors vide their Report for the FY 2018-19.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE:

We strongly support the rights of all our employees to work in harassment – free environment. We have adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“POSH Act”) and the Rules made thereunder. The policy aims to provide protection to Employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where Employees feel secure.

Further, we have in place a Committee under the name and style “**Internal Complaints Committee**” in compliance of POSH Act, which looks into various matters concerning harassment, if any, against women at workplace, addresses concerns and complaints of sexual harassment and recommends appropriate action. Details of composition etc., of the said committee are provided in the section on Corporate Governance.

We further confirm that during the year under review, there were no cases filed pursuant to the said Act.

CORPORATE SOCIAL RESPONSIBILITY

Since our Company does not fall within any of the parameters specified under the provisions of Section 135 of the Companies Act, 2013 read with Rules made thereunder, reporting pursuant to Section 134(3) (o) is Not Applicable.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Particulars as prescribed pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, are provided in **Annexure – III** to this Report.

ACKNOWLEDGEMENTS AND APPRECIATIONS

We take on record the contribution made by the employees of the Company and acknowledge their hard work and dedication to ensure that the Company consistently outgrows its previous performance. Further, we wish to express our sincere appreciation towards all the customers,

suppliers, banks, financial institutions, advisors, Government of India and Government Departments, concerned State Governments and other authorities for their sustained support and co-operation towards contributing to the Company's success.

We are also deeply grateful to our shareholders for the confidence and faith that they have always placed in us.

For and on behalf of the Board

Sd/-

Dayanand Agarwal
Chairman and Managing Director
DIN: 00006668

24th August, 2019
Hyderabad

Form AOC-2

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

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

Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the financial year ended March, 2019, which were not at arm's length basis.

Details of contracts or arrangements or transactions at arm's length basis:

The details of material contracts or arrangements or transactions at arm's length basis for the year ended March, 2019 are as follows:

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Mrs. Shamantha Dodla Non-Executive Director
2	Nature of contracts/arrangements/transaction	Agreement of event based Consultancy Services
3	Duration of the contracts/arrangements/transaction	Term of Agreement - 1 year
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Upto a maximum value of Rs.10 Lakhs
5	Date of approval by the Board	01.07.2018
6	Amount paid as advances, if any	Nil

For and on behalf of the Board

Sd/-
Dayanand Agarwal
Chairman and Managing Director
DIN: 00006668

24th August, 2019
Hyderabad

Annexure II

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2019
[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]**

To,
The Members,
DRS Dilip Roadlines Limited,
Secunderabad- 500003

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DRS Dilip Roadlines 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 my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by **DRS Dilip Roadlines Limited** ("the Company") and made available to me for the financial year ended on 31st March, 2019 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), overseas Direct Investment (ODI) 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, 2015;
 - (c)** The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and as amended from time to time; **(in connection with IPO of Equity Shares)**
 - (d)** The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;**(Not applicable to the Company during the audit period);**
 - (e)** The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period)**

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period);**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the audit period);** and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

I have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- *There was delay in filing of Forms with the Registrar of Companies in certain instances.*
- *There was a minor deviation in utilisation of IPO proceeds from the objects stated in the offer document.*

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied the following laws applicable specifically to the Company:

- a) Motor Vehicles Act, 1988
- b) The Carriage by Road Act, 2007 ("Carriage by Road Act")
- c) Central Motor Vehicle Rules, 1989
- d) The Warehousing (Development and Regulation) Act, 2007

I further report that :

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman and Independent Directors. The changes in the composition of the Board of Directors during the period under review were carried out in compliance with the provisions of the Act.

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

All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board or Committees of the Board, as the case may be.

I further report that

- as per the information provided by the management, and based on the review of compliance reports by the respective department / functional heads, duly taken on record by the Board of Directors of the Company, there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines

- During the Audit period, there were no specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs except that :
 5. Merger of DRS Warehousing (South) Private Limited, the wholly owned subsidiary, with the Company, i.e., itself, vide a Scheme of Amalgamation between DRS Dilip Roadlines Private Limited (Transferee Company) and DRS Warehousing (South) Private Limited (Transferor Company) and their respective Shareholders and Creditors U/s 233 of the Companies Act, 2013, effective 01st April, 2017.
 6. Change of status of the Company from Private Limited to Public Limited Company.
 7. Issue of 38,54,403 equity shares of Rs.10 each by way of Bonus, in the ratio of 11:20, in order to capitalize a sum of Rs.3,85,44,030 standing against securities premium account in the books of the Company.
 8. Initial Public Offer

IPO of 42 lacs equity shares at a price of Rs.75 per share (inclusive of a premium of Rs.65 per share, thus raising an amount of Rs.31.5 Crores and subsequent listing of the Company on the SME platform of the National Stock Exchange of India, i.e., NSE Emerge.

Anand Kumar C. Kasat
Practicing Company Secretary
M.No.42078
C.P.No :17420

Place: Hyderabad
Date: 21st August, 2019

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

'Annexure A'

To,
The Members,
DRS Dilip Roadlines Limited,
Secunderabad- 500003

Secretarial Audit Report of even date is to be read along with this letter.

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. I have followed the audit practises and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on random basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practises I followed provide a reasonable basis for our opinion.
3. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
4. I believe that audit evidence and information provided by the Company's management is adequate and appropriate for me to provide a basis for our opinion.
5. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
6. I have not verified the correctness and appropriateness of financial records and Books and Accounts of the Company.

Disclaimer

7. 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.

Anand Kumar C. Kasat
Practicing Company Secretary
M.No.42078
C.P.No :17420

Place: Hyderabad
Date: 21st August, 2019

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/ OUTGO:

Particulars as prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are as follows:

A. Conservation of Energy : Not Applicable

- i. the steps taken or impact on conservation of energy;
- ii. the steps taken by the company for utilizing alternate sources of energy;
- iii. the capital investment on energy conservation equipments;

B. Technology Absorption : Not Applicable

- i. the efforts made towards technology absorption;
- 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.

C. Foreign Exchange Inflow and Outflow during the year (Amount in Rs)

- | | | |
|-----|-------------------------|-----------|
| i. | Foreign Exchange Earned | : Nil |
| ii. | Foreign Exchange Outgo | : 199,791 |

For and on behalf of the Board

Sd/-
Dayanand Agarwal
Chairman and Managing Director
DIN: 00006668

24th August, 2019
Hyderabad

FORM MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31.03.2019
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L60231TG2009PLC064326
ii.	Registration Date	10.07.2009
iii.	Name of the Company	DRS DILIP ROADLINES LIMITED
iv.	Category/ Sub-Category of the Company	Public Limited Company/Limited by Shares
v.	Address of the Registered office and Contact Details	306, 3rd Floor, Kabra Complex, 61, M G Road, Secunderabad ,Telangana 500003 , India Email Id: investors@drsindia.in
vi.	Whether the Listed Company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent	Bigshare Services Pvt. Ltd. 306, 3 rd Floor, Right Wing, Amrutha Ville. Opp. Yashoda Hospital, Raj Bhavan Road, Somajiguda , Hyderabad- 500082. Mobile: 9848098088

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:

Sl. No	Name and Description of Main Products/Services	NIC Code of the product/Service	% to total turnover of the Company
1.	Motorised Road Freight Transport	49231	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Si. No	Name and Address of the Company	CIN	Holding/Subsidiary /Associate	% of Shares held	Applicable Section
	Nil	Nil	Nil	Nil	Nil

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):**i) Category-wise Shareholding**

Category of Shareholder	No. of Shares held at the beginning of the Year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indians									
a) Individual/HUF	0	7008000	7008000	100.00	10862307	0	10862307	72.12	-27.88
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0
c) State Govt	0	0	0	0.00	0	0	0	0.00	0
d) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0
e) Banks/FI	0	0	0	0.00	0	0	0	0.00	0
f) Any other(Directors relative)	0	0	0	0.00	48	0	48	0.00	0
Sub Total (A) (1)	0	7008000	7008000	100.00	10862355	0	10862355	72.12	-27.88
2. Foreign									
a) NRI – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter A= (A)(1) + (A)(2)	0	7008000	7008000	100.00	10862355	0	10862355	72.12	-27.88
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	-	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	-	0	0	0.00	0.00
c) Central Govt.	0	0	0	0.00	-	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	-	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	-	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	-	0	0	0.00	0.00
g) FIs	0	0	0	0.00	-	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	-	0	0	0.00	0.00
i) Others	0	0	0	0.00	-	0	0	0.00	0.00
Sub Total (B) (1)	0	0	0	0.00	-	0	0	0.00	0.00
2. Non Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0.00	169258	0	169258	1.12	1.12
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital uptoRs. 1 lakh	0	0	0	0.00	503801	48	503849	3.35	3.35
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0.00	2904541	0	2904541	19.28	19.28

c)Others									
i)Clearing member	0	0	0	0.00	619200	0	619200	4.11	4.11
ii)NRI					3200	0	3200	0.02	0.02
Sub-total (B) (2)	0	0	0	0.00	4200000	48	4200048	27.88	8.6
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0		0.00	4200000	48	4200048	27.88	8.6
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	
Grand Total (A+B+C)	0	7008000	7008000	100.00	15062355	48	15062403	100.00	-

ii) Shareholding of Promoters/Promoter's group

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares (Refer Note)	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Dayanand Agarwal	4000000	57.08	NA	6199907	41.16	NA	(15.92)
2.	Sanjay Agarwal	1289000	18.39	NA	1997950	13.26	NA	(5.13)
3.	Anjani kumar agarwal	1719000	24.53	NA	2664450	17.69	NA	(6.84)
4.	Pinky Agarwal	0	0.00	NA	16	0.0001	NA	Negligible
5.	Shashikala Agarwal	0	0.00	NA	16	0.0001	NA	Negligible
6.	Sunitha Agarwal	0	0.00	NA	16	0.0001	NA	Negligible
	TOTAL	7008000	100.00		10862355	72.12	N/A	(27.88)

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Dayanand Agarwal						
	At the beginning of the year			4000000	26.56		
	Changes during	10.04.2018	Transfer	-60	Negligible	3999940	26.56

	the Year						
		01.07.2018	Bonus	2199967	31.39	6199907	41.16
	At the end of the year					6199907	41.16

Sl. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2.	Anjani Kumar Agarwal						
	At the beginning of the year			1719000	11.41		
	Changes during the Year	01.07.2018	Bonus	945450	13.49	2664450	17.69
	At the end of the year					2664450	17.69

Sl. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3.	Sanjay Agarwal						
	At the beginning of the year			1289000	8.56		
	Changes during the Year	01.07.2018	Bonus	708950	10.11	1997950	13.26
	At the end of the year					1997950	13.26

Sl. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4.	Pinky Agarwal						
	At the beginning of the year			0	0.00		
	Changes during the Year	10.04.2018	Transfer	10	Negligible	10	Negligible
		01.07.2018	Bonus	6	Negligible	16	Negligible
	At the end of the year					16	Negligible

Sl. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5.	Shashikala Agarwal						

	At the beginning of the year			0	0.00		company
	Changes during the Year	10.04.2018	Transfer	10	Negligible	10	Negligible
		01.07.2018	Bonus	6	Negligible	16	Negligible
	At the end of the year					16	Negligible

Sl. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6.	Sunitha Agarwal			0	0.00		
	At the beginning of the year			0	0.00		
	Changes during the Year	10.04.2018	Transfer	10	Negligible	10	Negligible
		01.07.2018	Bonus	6	Negligible	16	Negligible
	At the end of the year					16	Negligible

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

Sl. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Harsha Rajeshbhai Jhaveri			0	0.00		
	At the beginning of the year			0	0.00		
	Changes during the Year	06.12.2018	IPO Allotment	1304000	12.00	1304000	12.00
		14.12.2018	sale	(318400)	(2.11)	985600	6.54
		21.12.2018	sale	(248000)	(1.64)	737600	4.90
		08.03.2019	sale	(32000)	(0.22)	705600	4.68
	At the end of the year					705600	4.68

Sl. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2.	NNM Securities						

	At the beginning of the year			0.00	0.00		
	Changes during the Year	04.01.2019	Transfer	608000	5.60	608000	4.04
	At the end of the year					608000	4.04

Sl. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3.	Prasanben vershibhai shah						
	At the beginning of the year			0.00	0.00		
	Changes during the Year	06.12.2018	IPO Allotment	140800	0.93	140800	0.93
	At the end of the year					140800	0.93

Sl. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4.	Amrutlal Gordhandas Thobhani						
	At the beginning of the year			0	0.00		
	Changes during the Year	06.12.2018	IPO Allotment	113600	1.29	113600	0.75
	At the end of the year					113600	0.75

Sl. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5.	Doshi Hetal S						
	At the beginning of the year			0	0.00		
	Changes during the Year	06.12.2018	IPO Allotment	140800	1.29	140600	1.29
		29.03.2019	Sale	(43200)	(0.29)	97600	0.65
	At the end of the year					97600	0.65

Sl. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6.	Harminder Pal Singh						
	At the beginning of the year			0.00	0.00		
	Changes during the Year	21.12.2018	Transfer	44800	0.30	44800	0.30
		28.12.2018	Transfer	46400	0.31	91200	0.61
	At the end of the year					91200	0.61

Sl. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7.	Rajesh Jhaveri						
	At the beginning of the year			0	0.00		
	Changes during the Year	06.12.2018	IPO Allotment	78400	0.72	78400	0.52
	At the end of the year					78400	0.52

Sl. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8.	Naresh kumar sharma						
	At the beginning of the year			0	0.00		
	Changes during the Year	15.02.2019	Transfer	52800	0.35	52800	0.35
		22.02.2019	Transfer	12800	0.09	65600	0.44
		08.03.2019	Transfer	11200	0.07	76800	0.51
	At the end of the year					76800	0.51

Sl. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9.	Sandip Jayshukhlal Shah						
	At the beginning of the year						
	Changes during the Year						
	At the end of the year						

	At the beginning of the year			0	0.00		
	Changes during the Year	01.03.2019	Transfer	75200	0.50	75200	0.50
	At the end of the year					75200	0.50

Sl. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10.	V Kavitha						
	At the beginning of the year						
	Changes during the Year	21.12.2018	Transfer	60800	0.60	60800	0.60
		28.12.2018	Transfer	12800	0.09	73600	0.49
	At the end of the year					73600	0.49

v) Shareholding of Directors and Key Managerial Personnel:

Si. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
1.	Dayanand Agarwal						
	At the beginning of the year			4000000	26.56		
	Changes during the Year	10.04.2018	Sale	(60)	Negligible	3999940	26.56
		01.07.2018	Bonus	2199967	14.61	6199907	41.16
	At the end of the year					6199907	41.16

Si. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2.	Anjani Kumar Agarwal						
	At the beginning of the year			1719000	11.41		
	Changes during the Year	01.07.2018	Bonus	945450	13.49	2664450	17.69
	At the end of the year					2664450	17.69

Si. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	Mamidi Suneel Bhudevi						
	At the beginning of the year			Nil	Nil		
	Changes during the Year	Nil	Nil	Nil	Nil	Nil	Nil
	At the end of the year					Nil	Nil

Si. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	Sugan Chand Sharma						
	At the beginning of the year			Nil	Nil		
	Changes during the Year	10.04.2018	Transfer	10	Negligible	10	Negligible
		01.07.2018	Bonus	6	Negligible	16	Negligible
			Transfer (market)	9584	0.063	9600	0.063
	At the end of the year					9600	0.063

Si. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	Ajai Kumar Agarwal						
	At the beginning of the year			Nil	Nil		
	Changes during the Year	Nil	Nil	Nil	Nil	Nil	Nil
	At the end of the year					Nil	Nil

Si. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	Shamantha Dodla						
	At the beginning of the year			Nil	Nil		
	Changes during the	10.04.2018	Transfer	10	Negligible	10	Negligible

	Year						
		01.07.2018	Bonus	6	Negligible	16	Negligible
	At the end of the year					16	Negligible

Si. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
7	S.C. Raghunandan (CFO)						
	At the beginning of the year			Nil	Nil		
	Changes during the Year	Nil	Nil	Nil	Nil	Nil	Nil
	At the end of the year					Nil	Nil

Si No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8	*Anil Kumar Ganga						
	At the beginning of the year			Nil	Nil		
	Changes during the Year	Nil	Nil	Nil	Nil	Nil	Nil
	At the end of the year					Nil	Nil

**Resigned w.e.f. 22.01.2019*

Si. No	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9	**Pooja Bang						
	At the beginning of the year			Nil	Nil		
	Changes during the Year	Nil	Nil	Nil	Nil	Nil	Nil
	At the end of the year					Nil	Nil

****Pooja Bang who was appointed as Company Secretary w.e.f 22.01.2019, who subsequently resigned on 16.07.2019.**

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	130382285	256872053		387254338
ii) Interest due but not paid	66375157	-	-	66375157
iii) Interest accrued but not due	-		-	
Total (i +ii+iii)	196757442	256872053		453629495
Change in Indebtedness during the financial year				
Addition	72976288			72976288
Reduction	90453842	234168154		324621996
Net Change	(17477554)	(234168154)		(251645708)
Indebtedness at the end of the financial year				
i) Principal Amount	153053567	22703899		175757466
ii) Interest due but not paid	26226322			26226322
iii) Interest accrued but not due				
Total (i +ii+iii)	179279889	22703899		201983788

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		MD: Dayanand Agarwal	WTD: Sughan Chand Sharma	
1	Gross salary	15,00,000	4,27,332	1927332
a	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15,00,000	4,27,332	1927332
b	Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
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	Nil
4	Commission	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil
	- others	Nil	Nil	Nil
5	Others	Nil	Nil	Nil
	Total	15,00,000	4,27,332	1927332
	Ceiling as per the Act	8400000	8400000	

B. Remuneration to other directors: NIL

None of the Directors of the Company other than as mentioned above were paid any remuneration during the financial year.

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

S I. N O	Particulars of Remuneration	Key Managerial Personnel				
		#Anjani Kumar Aggarwal (CEO)	*Anil kumar Ganga (Company Secretary)	**Pooja Bang (Company Secretary)	#S.C. Raghunandan (CFO)	Total
1.	Gross salary	11,00,000	2,10,000	60,000	5,18,248	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil	Nil
4.	Commission					
	- as % of profit	Nil	Nil	Nil	Nil	Nil
	- others	Nil	Nil	Nil	Nil	Nil
5.	Others	Nil	Nil	Nil	Nil	Nil
	Total	11,00,000	2,10,000	60,000	5,18,248	18,88,248

Mr Anjani Kumar Agarwal appointed as CEO & Mr. S.C. Raghunandan appointed as CEO of the company w.e.f 01.07.2018

*Mr. Anil kumar Ganga resigned from the office of the Company Secretary w.e.f 22.01.2019

**Ms. Pooja Bang was appointed as Company Secretary w.e.f 22.01.2019, who subsequently resigned on 16.07.2019

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board

Sd/-

Dayanand Agarwal
Chairman and Managing Director
DIN: 00006668

24th August, 2019
Hyderabad

MANAGEMENT DISCUSSION AND ANALYSIS

Your Company is engaged in the business of providing high quality logistics services including transportation, packing & moving and renting of warehouses.

1. Competitive Position of the Company

a) Industry Structure and Developments

Industry Structure:

- The global supply chain is growing and changing continuously, and advances in technology are helping to streamline operations in the long run. The growth of the global logistics market is directly related to the development of international trade flow and the current economic environment.
- It involves the integration of information, transportation, inventory, warehousing, material handling, packaging, and security. Favorable government trade policies have resulted in an increased demand for logistics services which also provides an opportunity for expansion to the existing vendors.
- The transportation and logistics industry is confronting immense changes such as digital transformation, new market entrants, changing customer expectations, and new evolving business models.
- For the purpose of this study, the global logistics market has been divided into three segments: transportation type, logistic type, and end-user industry.
- On the basis of the transportation type, the market is segmented into airways, waterways, railways, and roadways.
- On the basis of logistic type, the market has been segmented into first party, second party and third party. The second-party logistics segment accounted for the largest market share.
- By End-user, the market has been segmented into industrial and manufacturing, retail, healthcare, oil & gas, and others.
- The Manufacturing segment accounted for the largest market share. Factors such as the policy reforms that have improved the ease of doing business along with the easy availability of cheap labor contribute to the growth of the market.
- Moreover, globalization coupled with population growth and consumption behaviour has seen ever-increasing demand for products from all corners of the world. The rise of e-commerce has added to the transport boom, and over the past decade, a considerable growth has been seen across the industry's value chain as a whole.
- In terms of growth of the wider industry, logistics infrastructure will see almost across the board real growth in the years between 2017 and 2023. Global Logistics market is expected to grow at a CAGR of 7.2% during the forecast period.

Development:

- Increased adoption of outsourced logistics services in the region is driving the growth of the market. Increasing imports and exports along with a huge demand for logistics services due to the economic growth and urbanization are driving the manufacturers to trade across the globe. China, Japan, India, Australia, and Indonesia are the major markets in Asia Pacific region. China is the largest logistics market in the region due to a huge population in the country and the presence of a large manufacturing base.
- North America is the second largest region in the market. Increasing trade activities between the Americas and Europe are driving the growth of the market in this region.

Rising demand for foreign goods in Indonesia, Thailand, and India has strengthened the trade relations with the U.S. Europe is another major region in the market. Germany, the U.K., and France are the major logistics markets.

- Transportation and logistics infrastructure is a constantly recurring priority in every new government policies. Economic reforms and government initiatives in terms of strengthening the manufacturing sector are expected to attract private investment. The development of transportation and logistics-related infrastructures, such as dedicated freight corridors, logistics parks, free trade warehousing zones, and container freight stations will help to improve efficiency.

b) Opportunities and Threats

Opportunities:

- To alter the country's logistics landscape, Government of India (GOI) has taken a number of decisions. The GST regime is certain to expedite faster conversion of informal logistics setups to formal ones and speed up freight movement at interstate borders due to dismantling of check posts. There is a target to reduce the logistics cost in India from the present 14% of GDP to less than 10% of it, by 2022. A national committee headed by Cabinet Secretary is in place to develop the pan-India roadmap for trade facilitation.
- A new Logistics Division in the Department of Commerce has been established to coordinate integrated development of the sector by way of policy changes, improvement in existing procedures, identification of bottlenecks and gaps, and introduction of technology-based interventions. A concerted effort in collaboration with central line ministries and state governments is on to simplify the regulatory processes in domestic and export-import logistics.
- The Ministry of Commerce and Industry (MoCI) is developing an integrated logistics portal which would serve as a transactional e-marketplace by connecting buyers, logistics service providers and the relevant government agencies such as customs, port community systems, port terminals, shipping lines, railways, etc. Once functional, it would reduce delays and facilitate a transparent, informative and convenient trading system. Recently the Ministry also launched a new Logistics Ease Across Different States Index to rank states for the support they provide to improve logistics infrastructure within their respective jurisdictions.

Threats:

- The dilemma is that as world population increases and world-wide distribution chains become more sophisticated, the corresponding increase in the use of packaging has the potential of becoming as much a problem as a solution. In some parts of the world, some poorly informed people would prefer a significant reduction, and in some cases, elimination of packaging. This regression is based on a lack of understanding of the overall impact that packaging has upon Society.
- Actually, packaging has tremendous resource-saving potential. Clearly, over-packaging consumes too many resources. Under-packaging allows for damage and spoilage of contents, also wasting resources. The goal is "right size" and "right strength" packaging. It is the result of a holistic view that balances the proper use of resources against the environmental, social, and financial needs of packaging users and Society.
- The facts are clear. The production of packaging materials consumes both natural and human resources. The application of those materials further uses more valuable resources. Finally, the disposal of packaging materials into landfills, incinerators, and, inappropriately, on the sides of countless highways and roads, waterways, seas and

forests as litter, also requires the utilization of more valuable resources, most of which could have been used again, or differently.

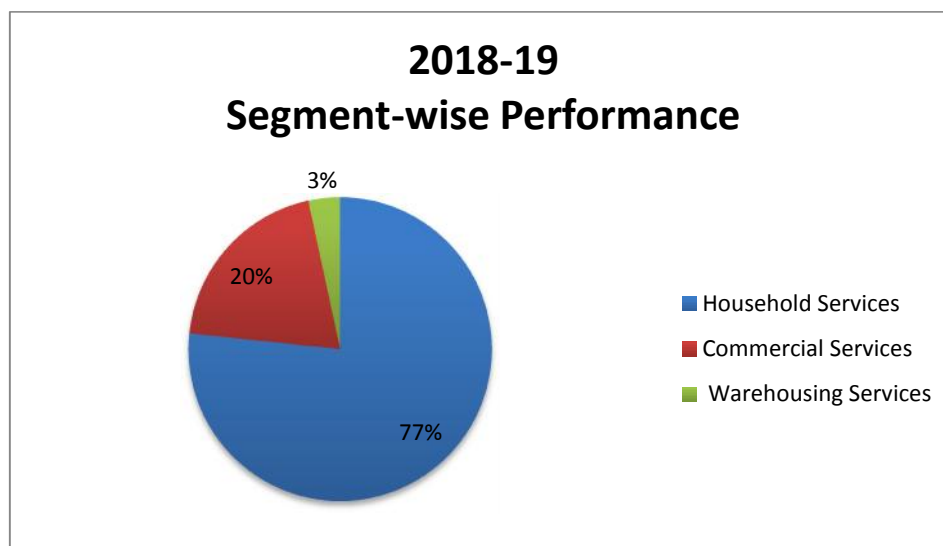
c) Segment- wise or Product-wise performance

Company Performance Highlights:

- ISO 9001:2015 certified - for providing Quality Management System in the field of Packers, Movers and Logistics.
- Company became Indian Banks Association approved transport operator in the year 2010.
- Company became a Core Member of the International Association of Movers (IAM) in September 2013.
- Company entered the World Book of Records for Conceptualizing Innovative Van Design for Household Shifting in 2018.

Segment-wise performance:

Revenue	2018-19	2017-18
Transport – Household	115,17,74,684	50,09,57,127
Transport – Commercial	29,98,16,338	88,71,80,306
Warehousing services	5,08,16,434	3,67,28,018
Total Revenue	150,24,07,456	142,48,65,451



Moreover, the Company has strong customer base. Our established relationships with customers lead to stability of demand. Some of our top customers include MRF Limited, Paragon Polymer Products Private Limited, ITC Limited, Canon India Private Limited, Jindal Fibres Private Limited, Avon Meters Private Limited, J.K. Tyres & Industries Limited, ITC Limited, Ultra Tech Cement Limited, Manav energy Private Limited.

d) Outlook

By recognizing the importance of the sector, a new logistics division has been created in the Department of Commerce to develop and coordinate integrated development of the industry,

improvement in existing procedures, identification of bottlenecks and gaps, and introduction of technology-based interventions in this sector, the survey said. Improving logistics sector has huge implication on exports and it is estimated that a 10 per cent decrease in indirect logistics cost can increase 5-8 per cent of exports. Apart from increasing trade, better performance in logistics will augment programmes like Make in India, and also enable India to become an important part of the global supply chain.

e) Risks and concerns

- Increase of prices of the fuel
- Any disruptions/ delays in road transport could negatively affect reputation / profitability.
- Cargo, personal injury claims may adversely affect the business
- Lack of experienced drivers
- Increase in taxes, significantly affect profits
- The increase in the age of vehicles and an increase in the prices of new vehicles
- weather, traffic conditions etc.
- Protecting Intellectual property rights is a challenge.
- Potential conflicts of interest with its Group Companies engaged in similar line of business.
- Highly competitive industry
- Dependency on third parties for supply of equipment and maintenance of vehicles.
- The branches (including transshipment hubs) are located at leased premises.
- Disruptions or failures in information technology systems may affect operations.
- Employee misconduct or errors could adversely affect our business prospects
- Increase in the costs of labour
- Demand for services may decrease during an economic recession.

Strengths:

- PAN India presence
- Diversed business model and host of services offered
- Large fleet of owned vehicles
- Experienced senior management
- Strong customer base

f) Internal Control System and their adequacy

The Company has effective and adequate internal audit and control systems, commensurate with the business size to safeguard assets and protect against loss from any un-authorized use or disposition. Regular internal audit visits to the operations are undertaken to ensure that high standards of internal controls are maintained at each level of the organization. The Company's internal controls are supplemented by an extensive programme of internal audits, review by management and documented policies, guidelines and procedures.

g) Discussion on financial performance with respect to operational performance

Particulars	2018-19	2017-18
Revenue from operations	150,24,07,456	142,48,65,451
Other Income	5,88,934	13,05,935
Finance Costs	2,62,69,704	2,50,71,619
Depreciation	5,05,88,673	5,89,62,193

PAT	2,62,90,830	2,50,47,331
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- h) Material developments in Human Resources / Industrial Relations front, including number of people employed

The Company believes that its employees are key contributors to its business success. To achieve this, the Company focuses on attracting and retaining the best possible talent. The Company looks for specific skill-sets, interests and background that would be an asset for its kind of business. Manpower is a prudent mix of the experienced and young people which gives us the dual advantage of stability and growth, whereas execution of services within time and quality. The skilled resources together with our strong management team have enabled the company to successfully implement the growth plans.

The senior management is diversified and have different operational heads to support operations such as accounting, booking orders, marketing, human resource management, and field work for packing and moving, finance related activities.

Additionally, the Company employs casual labourers and temporary labourers on daily wages as drivers and other for loading / unloading of the goods according to our requirements.

Sr.No	Category	Number of employees as on 31.03.2019
1	Executive Director	2
2	Key Managerial Personnel (KMP)	3
3	Other employees	234
	Total	239

*Dayanand Agarwal is the Chairman & Managing Director of the Company and also designated as KMP but considered under the category of "Executive Director" only.

- i) Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including:

Sl.No	Ratios	2018-19	2017-18	Explanation
i	Debtors Turnover	3.09	4.37	Debtors realization got delayed due to liquidity crisis at macro level.
ii	Inventory Turnover	0.18	0.12	Inventory comprises basically of the " tyres & tubes and packing material". Changes in Inventory turnover does not have any impact on the financial health of the Company.
iii	Interest Coverage Ratio	2.54	2.37	Change being less than 25%, explanation is not warranted.
iv	Current Ratio	0.85	0.76	Change being less than 25%, explanation is not warranted.
v	Debt Equity Ratio	0.39	4.83	During the Year, company has issued 80,54,403 equity shares

				amounting to Rs.80,544,030 and equity has gone up accordingly.
vi	Operating Profit Margin (%)	3.46	3.75	Change being less than 25%, explanation is not warranted.
vii	Net Profit Margin (%) or sector-specific equivalent ratios, as applicable	1.75	1.76	Negligible Change, hence explanation is not warranted.

- j) Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof

	2018-19	2017-18	Explanation
Net worth (In Lakhs)	4292.88	879.77	During the year 2018-19 company has issued 80,54,403 equity shares amounting Rs.80,544,030. This in turn has changed the net worth of the company. Hence the return on net worth has a huge difference compared to last year's.
Return on net worth (%)	6.12	28.46	

2. Disclosure of Accounting Treatment:

In the preparation of financial statements, a treatment different from that prescribed in an Accounting Standard has not been followed. The financial statements represent a true and fair view of the underlying business transactions.

3. Cautionary Statement

This report contains forward-looking statements extracted from reports of Government Authorities / Bodies, Industry Associations etc. available on the public domain which may involve risks and uncertainties including, but not limited to, economic conditions, government policies, dependence on certain businesses and other factors. Actual results, performance or achievements could differ materially from those expressed or implied in such forward-looking statements. This report should be read in conjunction with the financial statements included herein and the notes thereto.

Annexure – VI(i)**Information pursuant to Section 197 read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended in respect of our employees**

A. The ratio of the remuneration of each director to the median employees remuneration and other details in terms of sub section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amendments thereto.

(Rs. in Lakhs)

Sr. No.	Name of Director / KMP and Designation	Financial Year 2018-19		
		Remuneration of Director / KMP	% increase in Remuneration	Ratio of Remuneration of each Director to median remuneration of employees
1	Mr. Dayanand Agarwal (Chairman & Managing Director)	15,00,000	66.66	8.06
2	Mr. Sughan Chand Sharma (Whole Time Director)	4,27,332	Nil	2.30
3.	Mrs. Shamantha Dodla (Non Executive Director)	Nil	Nil	Nil
3.	Mr. Ajai Kumar Agarwal (Independent Director)	Nil	Nil	Nil
4.	Mr. M B Suneel (Independent Director)	Nil	Nil	Nil
5.	Mr. Anjani Kumar Agarwal (CEO)	18,00,000	Nil	9.68
6.	Mr. Sethumadhavarao Chikkaballapur Raghunandan (CFO)	7,50,000	Nil	4.03
7.	Ms. Pooja Bang (Company Secretary)	3,60,000	Nil	1.94

B. Percentage Increase in the median remuneration of all employees in the Financial Year 2018-19:

The median annual remuneration of employees of the Company during the financial year was Rs.1,86,000. In the financial year, there was increase of 3.33 % in the median remuneration of employees.

C. Number of permanent employees on the rolls of Company as on 31st March 2019

There were 239 permanent employees on rolls of the Company as on March 31, 2019

D. Average percentile increase already made in the salaries of the 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 managerial remuneration.

Average percentile increase already made in the salaries of the employees other than the managerial personnel in this financial year i.e., 2018-19 is 27.20%. whereas there is an increase of 164% in the managerial remuneration for the said financial year because of appointment of CFO , Company Secretary and CEO.

E. The key parameters for any variable component of remuneration availed by the directors

Not Applicable

F. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

Yes, it is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company:

**For and on behalf of the Board of
DRS DILIP ROADLINES LIMITED**

Sd/-

**Dayanand Agarwal
Chairman & Managing Director
DIN: 00006668**

**Place: Hyderabad
Date: 24/08/2019**

Statement of Particulars of employees pursuant to Provisions of Rule 5(2) of Section 197(12) of the companies Act 2013 Read with Companies

(Appointment & remuneration of Managerial Personnel) Rules 2014

Details of top 10 employees (in terms of Remuneration), other than executive Directors

Employed throughout the Year/Part of the year

SI No.	Name of the employee	Age (Years)	Designation	Qualification	Remuneration (Per Year)	Nature of Employment	Experience (Years)	Date of Commencement of Employment	previous Employment	Relationship with Directors /Manages	Nature of Duties of Employee	% of Share holding in Company
1	ANJANI KUMAR AGARWAL	11/02/1975	CEO	Graduate	1,800,000	permanent	26	1/Jul/18	N.A (Associated with the Company, since beginning)	Son of Dayanand Agarwal, the CMD	MANAGEMENT & BUSINESS OPERATIONS	17.69
2	HARMINDER PAL SINGH	11/02/1969	VP MARKETING	Graduate	1,413,024	PERMANENT	28	11/Aug/05	INDO ARYA CENTRAL TRANSPORT	Not related	MARKETING	0.61
3	JITENDER SINGH	04/05/1973	VP-OPERATION	10th	1,020,300	PERMANENT	29	1/Jan/91	N.A (Associated with the Company, since beginning)	Not related	OPERATION	
4	M.NAGAESWARA RAO	29/06/1971	GM-BUSINESS	Graduate	1,020,000	PERMANENT	25	17/Dec/18	TCI	Not related	BUSINESS	
5	MANISH JAIN	02/10/1979	DGM-KARNATAKA	MBA	900,000	PERMANENT	20	17/Aug/12	NISSAN MOTORS	Not related	RELOCATION BUSINESS	

6	SRINIVAS.M	02/08/1964	GM-RELOCATION	MBA	792,000	PERMANENT	30	11/Nov/14	KADEVI INDUSTRIES	Not related	RELOCATION BUSINESS	
7	RAMAN KISHORE	26/08/1975	GM- IT	Graduate	785,052	PERMANENT	20	1/May/00	APTECH COMPUPTER EDUCATION	Not related	IT	Negligible
8	C S RAGHUNAN DAN	05/05/1964	CFO	Exe. MBA	750,000	PERMANENT	26	26/Mar/18	WOXEN SCHOOL OF BUSINESS	Not related	ACCOUNTS	
9	GIGY IDICULLA	20/04/1970	DGM-KERALA	Graduate	540,000	PERMANENT	29	28/Oct/04	BERGER PAINTS	Not related	RELOCATION BUSINESS	
10	POOJA BUNG	07/09/1988	COMPANY SECRETARY	Company Secretary	360,000	PERMANENT	1.5	1/Mar/19	BAHETI & GUPTA ASSOCIATES	Not related	COMPANY SECRETARY	

For and on behalf of the Board

Sd/-

Dayanand Agarwal
Chairman and Managing Director
DIN: 00006668

24th August, 2019
Hyderabad

*Annexure VII***Policy for selection of Directors and determining Directors Independence****1. Introduction:**

- 1.1 DRS Dilip Roadlines Limited (DRS) believes 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. Towards this, DRS ensures constitution of the Board of Directors with required composition, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.
- 1.2 DRS recognize the importance of Independent Directors in achieving the effectiveness of the Board.

2. Scope:

- 2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as Independent Directors of the Company.

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

- 3.1 “**Director**” means a Director appointed to the Board of the Company.
- 3.2 “**Nomination and Remuneration Committee**” means the Committee constituted by DRS Dilip Roadlines Limited’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013.
- 3.3 “**Independent Director**” means a Director referred to in sub-section (6) of Section 149 of the Companies Act, 2013.

4. Policy:**4.1 Qualifications and Criteria**

- 4.1.1 The Nomination and Remuneration (NR) Committee and the Board shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company’s operations.
- 4.1.2 In evaluating the suitability of individual Board members, the Nomination and Remuneration Committee may take into account factors, such as:
 - General understanding of the Industry vis a vis Company’s business perspective;
 - Educational and professional background
 - Standing in the profession;

- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

4.1.3 The proposed appointee shall also fulfill the following requirements:

- Shall possess a Director Identification Number;
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent to act as a Director;
- Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- Shall disclose his concern or interest in any Company or Companies or Bodies Corporate, Firms including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013 and other relevant laws.

4.1.4 The NR Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

4.2 Criteria of Independence

4.2.1 The NR Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

4.2.2 The criteria of independence, as laid down in Companies Act, 2013, are as below:

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director:

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b. (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;
(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- c. who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two percent or more of its gross turnover or total income as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- d. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

- e. who, neither himself nor any of his relatives—
- (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
 - (iii) holds together with his relatives two per cent or more of the total voting power of the company; or
 - (iv) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
 - (v) is a material supplier, service provider or customer or a lessor or lessee of the company.
- f. shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.
- g. shall possess such other qualifications as may be prescribed, from time to time, under the Companies Act, 2013.
- h. who is not less than 21 years of age.

4.2.3 The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

4.3 Other directorships / committee memberships

4.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NR Committee shall take into account the nature of and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

4.3.2 A Director shall not serve as a Director in more than 20 companies of which not more than shall be 10 Public Limited Companies.

For and on behalf of the Board

Sd/-

Dayanand Agarwal
Chairman and Managing Director
DIN: 00006668

24th August, 2019
Hyderabad

*Annexure VIII***Remuneration Policy for Directors, Key Managerial Personnel and other employees****1. Introduction:**

DRS Dilip Roadlines Limited (DRS) recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

- a) Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate employees to run the company successfully.
- b) Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- c) Ensuring that remuneration is based on such parameters reflecting short and long term performance objectives appropriate to the working of the company and its goals.

2. Scope:

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

3.1 “Director” means a director appointed to the Board of the company.

3.2 “Key Managerial Personnel” means

- (i) the Chief Executive Officer or the Managing Director or the Manager;
- (ii) the Company Secretary;
- (iii) the Whole-time Director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed under the Companies Act, 2013

3.3 “Nomination and Remuneration Committee” means the committee constituted by the Board of Directors of DRS Dilip Roadlines Limited in accordance with the provisions of Section 178 of the Companies Act, 2013.

4. Policy:**4.1 Remuneration to Executive Directors and Key Managerial Personnel**

4.1.1 The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

4.1.2 The Board, on the recommendation of the Nomination and Remuneration Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

4.1.3 The remuneration structure to the Executive Directors and Key Managerial Personnel may include the following components:

(i) Basic Pay

(ii) Perquisites and Allowances

(iii) Commission (Applicable in case of Executive Directors)

(iv) Retiral benefits

(v) Annual Performance Bonus

4.2 Remuneration to Non-Executive Directors

The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Non- Executive Directors of the Company within the overall limits approved by the shareholders, if any.

4.3 Remuneration to other employees

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

For and on behalf of the Board

Sd/-

Dayanand Agarwal
Chairman and Managing Director
DIN: 00006668

24th August, 2019
Hyderabad

Whistleblower Policy

As referred in the Directors Report and the Report on Corporate Governance, the Company has framed and adopted the Whistleblower policy that covers our directors and employees. The policy is subject to need based review and modifications, if required, from time to time. The Policy, as applicable currently, is laid hereunder and is also posted on our website www.drsindia.in

Scope and purpose:

DRS Dilip Roadlines Limited (DRS) is committed to complying with the foreign and domestic laws that apply to it, satisfying the Company's Code of Conduct and particularly to assuring that business is conducted with integrity and that the Company's financial information is accurate. If potential violations of Company policies or applicable laws are not recognized and addressed promptly, both the Company and those working for or with the Company could face governmental investigation, prosecution, fines, and other penalties. That may have cascading impact and may prove fatal. Consequentially, and to promote the highest ethical standards, the Company will maintain a workplace that facilitates the reporting of potential violations of Company's policies and applicable laws. Employees must be able to raise concerns regarding such potential violations easily and free of any fear of retaliation. That is the purpose of this policy (the 'Policy' or the 'Vigil Mechanism and Whistle Blower Policy'). You are required to read this Policy and acquaint yourself with the same.

Report at the earliest - Nip at the bud

Everyone is required to report to the Company any suspected violation of any law that applies to the Company and any suspected violation of the Company's Code of Conduct. It is important that you report all suspected violations. This includes possible accounting or financial reporting violations, insider trading, bribery, harassment, discrimination in your employment etc.

It is the policy of the Company that you must, when you reasonably suspect that a violation of an applicable law or the Company's Code of Conduct has occurred or is occurring, report that potential violation. Reporting is crucial for early detection, proper investigation and remediation, and deterrence of violations of Company's policies or applicable laws. You should not fear any negative consequences for reporting reasonably suspected violations because retaliation for reporting suspected violations is strictly prohibited by Company policy. Failure to report any reasonable belief that a violation has occurred or is occurring is itself a violation of this Policy and such failure will be addressed with appropriate disciplinary action, including possible termination of employment.

How & Where to Report

You must report all suspected violations to (i) your immediate supervisor; (ii) the nodal officer, i.e., the Company Secretary; at or (iii) anonymously, by sending an email to: investors@drsindia.in

If you have reason to believe that your immediate supervisor or the Company Secretary is involved in the suspected violation, your report may be made to the Chairman of the Audit Committee at:

Chairman, Audit Committee, DRS Dilip Roadlines Limited, 306, Kabra Complex, 61, MG Road Secunderabad. Pin 500 003

Because you have several means of reporting, you need never report to someone you believe may be involved in the suspected violation or from whom you would fear retaliation.

Your report should include as much information about the suspected violation as you can provide. Where possible, it should describe the nature of the suspected violation; the identities of persons involved in the suspected violation; a description of documents that relate to the suspected violation;

and the time frame during which the suspected violation occurred. Where you have not reported anonymously, you may be contacted for further information.

Post reporting Investigation

All reports under this Policy will be promptly and appropriately investigated, and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable law. Everyone working for or with the Company has a duty to cooperate in the investigation of reports of violations. Failure to cooperate in an investigation, or deliberately providing false information during an investigation, can be the basis for disciplinary action, including termination of employment. If, at the conclusion of its investigation, the Company determines that a violation has occurred, the Company will take effective remedial action commensurate with the nature of the offense. This action may include disciplinary action against the accused party, up to and including termination. Reasonable and necessary steps will also be taken to prevent any further violations of Company's policy.

Zero - Retaliation policy

No one may take any adverse action against any employee for complaining about, reporting, or participating or assisting in the investigation of, a reasonably suspected violation of any law, this Policy, or the Company's Code of Conduct and Ethics. The Company takes reports of such retaliation seriously. Incidents of retaliation against any employee reporting a violation or participating in the investigation of a reasonably suspected violation will result in appropriate disciplinary action against anyone responsible, including possible termination of employment. Those working for or with the Company who engage in retaliation against reporting employees may also be subject to civil, criminal and administrative penalties.

Modification

The Audit Committee or the Board of Directors of DRS can modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with national, state or local regulations and / or accommodate organizational changes within the Company.

For and on behalf of the Board

Sd/-

Dayanand Agarwal
Chairman and Managing Director
DIN: 00006668

24th August, 2019
Hyderabad

Independent Auditor's Report

To the Members of DRS Dilip Roadlines Limited (formerly known as DRS Dilip Roadlines Private Limited)

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **DRS Dilip Roadlines Limited** (formerly known as DRS Dilip Roadlines Private Limited) ("the Company") which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at March 31, 2019, and profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the 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.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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	Auditor's Response
1	<p><u>Evaluation of uncertain tax positions</u></p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. Refer Notes 28 to the Financial</p>	<p><u>Principal Audit Procedures</u></p> <p>Obtained details of completed tax assessments and demands from the management. We involved our internal team to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal team also considered legal precedence and other rulings in</p>

	Statements	evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2018 to evaluate whether any change was required to management's position on these uncertainties.
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Information Other than the 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 Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. The Board's Report including Annexures to Board's Report and Shareholder's Information is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Board's Report including Annexures to Board's Report, and Shareholder's Information if we conclude that there is a material misstatement therein, we are required to communicate the matter to those responsible for governance.

Responsibilities of Management and those charged with governance for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 implementation and maintenance of 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 financial statements, management 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 management 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.

Auditor's Responsibilities for the Audit of Financial Statement

Our objectives are to obtain reasonable assurance about whether the 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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

Report on Other Legal and Regulatory Requirements

1. 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.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) With respect to the other matters to be included in the Auditor's 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 by the Company to its directors during the year is in accordance with the provision 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 financial statements – Refer Note 28 to the financial statements
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For M. Anandam & Co.,
Chartered Accountants
(Firm Registration No. 000125S)

Sd/-
A.V. Sadasiva
Partner
Membership No. 018404

Place: **Secunderabad**
Date: **29.05.2019**

Annexure “A” to the Independent Auditor’s Report

With reference to Paragraph 1 under ‘Report on Other Legal Regulatory Requirements’ section of our report to the Members of the Company, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 (b) As explained to us, the fixed assets have been physically verified by the management in a periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such physical verification.
 (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company
- (ii) The inventories have been physically verified during the year by the management. The discrepancies noticed on verification between the physical stocks and book records were not material.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii) (a) to (c) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, during the year company has not given any loans, made investments, given guarantees or security to parties covered under provisions of section 185 and 186 of the Companies Act, 2013. Hence, paragraph 3(iv) of the order is not applicable.
- (v) The Company has not accepted deposits within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder.
- (vi) Maintenance of cost records as prescribed under sub-section (1) of section 148 of the Act is not applicable to the Company.
 (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is not regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, value added tax, wealth tax, service tax, customs duty, goods and service tax, excise duty, value added tax, cess and any other statutory dues as applicable with the appropriate authorities and the following are the outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

Nature of dues	Amount in Rs.
Service tax	8,84,436

- (b) According to the information and explanations given to us there were no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or goods and service tax or cess on account of any dispute to the extent not paid except the following.

Name of the statute	Nature of dues	Period to which the amount relates	Amount (Rs in Lakhs)	Forum where dispute is pending
Finance Act, 1994	Service tax	FY:2009-10 to 2013-14	1507.00	CESTAT, Hyderabad

Finance Act, 1994	Service tax	FY: 2013- 14	60.36	Commissioner of Appeals, Hyderabad
Finance Act, 1994	Service tax	FY:2014-15	493.92	CESTAT, Hyderabad
Income Tax Act 1961	Income tax	A.Y 2012-13	12.73	ITAT, Hyderabad
Income tax Act, 1961	Income tax	A.Y.2013-14	29.05	ITAT, Hyderabad

- (viii) The Company has not defaulted in repayment of loans or borrowing to financial institutions, banks and government and has not issued any debentures.
- (ix) The Company has raised Rs. 31,50,00,000/- by way of initial public offer during the year. Out of the money raised, an amount of Rs 2,43,81,916/- was used for general corporate purposes instead of part payment of term loans as per the terms of prospectus of issue. Term loans were applied for the purpose for which they were raised.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, 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 to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. Section 177 of the Act is not applicable to the Company.
- (xiv) According to the information and explanations give 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.
- (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 any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For M. Anandam & Co.
Chartered Accountants
(Firm Registration No. 000125S)

Sd/-
A.V. Sadasiva
Partner
Membership No. 018404

Place: Secunderabad
Date: 29.05.2019

Annexure “B” to the Independent Auditor’s Report**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **DRS Dilip Roadlines Limited (formerly known as DRS Dilip Roadlines Private Limited** (“the Company”) as of 31st March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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.

Auditor’s Responsibility

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 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

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 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 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

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

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 31st March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M. Anandam & Co.**Chartered Accountants**

(Firm Registration No. 000125S)

Sd/-

A.V. Sadasiva

Partner

Membership No. 018404

Place: **Secunderabad**Date: **29.05.2019**

BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Notes	As at 31.03.2019 Amount In Rs.	As at 31.03.2018 Amount In Rs.
EQUITY AND LIABILITIES			
Shareholders' Funds:			
a) Share Capital	2	15,06,24,030	7,00,80,00
b) Reserves and Surplus	3	27,86,63,894	1,79,17,094
Non Current Liabilities:			
a) Long Term Borrowings	4	13,38,81,564	35,90,39,457
b) Deferred Tax Liabilities (net)	5	1,05,09,381	1,15,30,279
c) Long-Term Provisions	6	80,88,923	72,48,193
Current Liabilities:			
a) Short Term Borrowings	7	3,33,23,360	6,63,75,157
b) Trade Payables			
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	8	4,96,56,648	4,66,57,483
c) Other Current Liabilities	9	21,59,46,061	26,69,54,592
d) Short Term Provisions	10	12,43,886	8,81,564
Total		88,19,37,747	84,66,83,819
Assets			
Non Current Assets:			
a) Property, Plant and Equipment	11	44,99,46,420	41,84,52,374
b) Capital Work-in-progress	12	14,08,539	-
c) Other Long Term Loans and Advances	13	17,64,80,881	13,79,00,881
Current Assets:			
a) Inventories	14	26,67,593	17,79,242
b) Cash and Cash Equivalents	15	81,38,814	1,13,09,189
c) Short Term Loans and Advances	16	11,45,29,643	5,92,17,851
d) Trade Receivables	17	11,35,92,271	21,13,53,594
e) Other Current Assets	18	1,51,73,586	66,70,688
Total		88,19,37,747	84,66,83,819

Significant Accounting policies:

1

The Notes referred to above and the statement on significant accounting policies form an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board

**For M. Anandam & Co.,
Chartered Accountants**

Sd/-

Dayanand Agarwal
Chairman and Managing Director

Sd/-

A V Sadasiva
Partner

Sd/-

Sugan Chand Sharma
Whole time Director

Sd/-

Sd/-

**Anjani Kumar
Agarwal**
CEO

Sd/-

Place: Secunderabad
Date: 29.05.2019

Pooja Bang
Company Secretary

C.S.Raghunandan
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST March, 2019

Sl. No.	Particulars	Note	For the year ended 31st March, 2019	For the year ended 31st March, 2018
I	Revenue from Operations	19	1,50,24,07,456	1,42,48,65,451
II	Other Income	20	5,88,984	13,05,935
III	Total Revenue (I+II)		1,50,29,96,390	1,42,61,71,386
IV	EXPENSES			
	Operating Expenses	21	1,15,62,04,387	1,06,16,00,355
	Employee Benefits expense	22	6,58,73,753	6,28,15,466
	Finance Costs	23	2,62,68,704	2,50,71,619
	Depreciation	11	5,08,55,673	5,86,92,193
	Other Expenses	24	17,25,64,197	18,67,86,460
	Total Expenses		1,47,15,00,714	1,39,52,36,093
V	Profit before tax (III-IV)		3,14,95,676	3,09,35,293
VI	Tax Expense:			
	Current Tax		64,83,952	63,07,350
	Earlier year Taxes		16,81,885	-
	Less: MAT Credit		19,40,093	63,07,350
	Deferred Tax		(10,20,898)	58,87,962
VII	Profit after Tax (V-VI)		2,62,90,830	2,50,47,331
VIII	Earnings Per share	25		
	Basic		1.75	2.31
	Diluted		1.75	2.31

Significant Accounting policies:

1

The Notes referred to above and the statement on significant accounting policies form an integral part of the financial statements.

As per our report of even date

For and on behalf of the board

For M. Anandam & Co.,
Chartered Accountants

Sd/-

A V Sadasiva
Partner
M No: 018404

Place: Secunderabad

Date: 29.05.2019

Sd/-

Dayanand Agarwal

Chairman and Managing Director

Sd/-

Sugan chand Sharma

Whole Time Director

Sd/-

**Anjani Kumar
Agarwal**Chief Executive
Officer

Sd/-

Pooja Bang

Company Secretary

Sd/-

C.S.RaghunandanChief Financial
Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	As at 31.03.2019 Amount In Rs.	As at 31.03.2018 Amount In Rs.
A) CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax	3,14,95,676	3,09,35,293
Adjustment for :		
Depreciation	5,05,88,673	6,21,18,546
Finance Cost	2,62,69,704	2,90,16,994
Balances Written off / adjusted	-	1,09,38,958
Operating Profit Before Working Capital Changes	10,83,54,053	13,30,09,791
Changes in Working Capital:		
(Increase)/Decrease in Inventories	(8,88,351)	(7,29,242)
(Increase)/Decrease in Trade and other Receivables	2,77,20,890	(1,08,63,162)
Increase/(Decrease) in Trade Payables	29,99,165	(6,53,85,589)
Increase/(Decrease) in Provisions	12,03,052	27,60,78,042
Increase/(Decrease) in Other Liabilities	(5,10,08,531)	(27,48,77,694)
Cash Generated from Operations	8,83,80,278	5,72,32,146
Less: Taxes Paid	-	-
Net Cash Flow from Operating Activities	8,83,80,279	5,72,32,146
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant and Equipment	(8,34,91,258)	(1,17,34,002)
Advance for purchase of Property, Plant and Equipment	(3,85,80,000)	(90,00,000)
Net Cash Flow/(Used) from/(In) Investing Activities	(12,20,71,258)	(2,07,34,002)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds / (Repayment) from long term borrowings	(22,51,57,893)	19,67,11,858
Proceeds / (Repayment) from short term borrowings	(3,30,51,798)	(20,56,98,230)
Proceeds from issue of shares	31,50,00,000	-
Finance Cost	(2,62,69,704)	(2,90,16,994)
Net Cash Flow/(Used) from/(In) Financing Activities	3,05,20,605	(3,80,03,366)
Net Increase / (Decrease) In Cash And Cash Equivalents	(31,70,375)	(15,05,222)
Cash and Cash Equivalents at the beginning of the year	1,13,09,189	1,28,14,411
Cash and Cash Equivalents at the end of the year	81,38,814	1,13,09,189

The Cash Flow Statement has been prepared as per indirect method as set out in Accounting Standard-3 "Cash Flow Statement".

As per our report of even date

For and on behalf of the Board

For M. Anandam & Co
Chartered Accountants

Sd/-

Sd/-
A V Sadasiva

Partner
M No: 018404

Place: Secunderabad
Date: 29.05.2019

Dayanand Agarwal
Chairman and Managing Director

Sd/-

Sd/-

Sugan Chand
Sharna

Anjani Kumar
Agarwal

Whole time director

Chief Executive Officer

Sd/-

Sd/-

Pooja Bang

C.S.Raghunandan

Company Secretary

Chief Financial Officer

Note 1 : Significant Accounting Policies:**1) Basis of Preparation:**

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis.

2) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue from transportation of goods and handling activities are recognized when shipments are manifested and represent amounts invoiced, net of service tax and GST. Revenue from warehousing is recognized at the end of every month on the basis of terms and conditions of arrangement with respective customers.

3) Property Plant and Equipment:

Property, Plant & Equipment are stated at cost of acquisition, including any attributable cost for bringing the asset to its working condition for its intended use, less accumulated depreciation and impairment loss. Depreciation on tangible assets is calculated on a straight-line basis as per the rates prescribed under Schedule II of the Companies Act, 2013.

4) Depreciation:

Depreciation is provided on a straight line basis over the useful lives of assets, which is as stated in Schedule II of Companies Act 2013 or based on technical estimate made by the Company.

5) Borrowing Cost:

Borrowing costs relating to acquisition of Property, Plant and Equipment which takes substantial period of time to get ready for its intended use are included to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are charged to revenue. Borrowing costs consist of interest and financial costs the company incurs on its borrowed capital.

6) Inventories:

Items of inventories are measured at cost after providing for obsolescence, if any. Cost comprises of cost of purchase, cost of conversion, and other costs incurred in bringing the inventories to the present location and condition.

7) Employee Benefits:

a) Retirement benefits in the form of Provident Fund are defined contribution scheme and contributions in respect of such scheme are recognized in the books of account.

b) Gratuity liability is a defined benefit obligation and provided on the basis of independent actuarial valuation on projected unit credit method made at the end of the year.

8) Taxes on Income:

a) Current tax is determined as the amount of tax payable in respect of estimated taxable income for the year.

b) Deferred tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date

9) Provisions , Contingent Assets and Contingent Liabilities:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are disclosed when the Company has possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation. Contingent Assets are neither recognized nor disclosed in the financial statements.

10) Use of Estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets, liabilities, revenues and expenses. The estimates used in preparation and presentation of financial statements are prudent and reasonable. Actual results could differ from estimates. Any revision of accounting estimates is recognized prospectively in the current and future periods.

11) Impairment:

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss will be recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of asset's net selling price and value in use. In assessing the value in use, the estimated future economic benefits are discounted to the present value at the weighted average cost of capital.

12) Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all period presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, which have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

13) Foreign Currency Transactions:

Initial Recognition - Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of transaction.

Conversion - Foreign currency Monetary items are reported using the Closing rate. Non-Monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange Differences - Exchange differences arising on settlement of Monetary items or on reporting of Monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements are recognized as Income or Expense in the period in which they arise. Exchange differences arising in respect of Fixed Assets acquired from outside India are adjusted to the carrying amount of fixed assets.

Notes to financial statements for the year ended 31.03.2019

Note No : 2 Share Capital

(Amount in Rs)

Particulars	31.03.2019	31.03.2018
Authorized 1,70,00,000 Equity Shares of Rs.10/- each (P.Y 1,21,10,000 Equity Shares of Rs.10/- each)	170,000,000	121,100,000
Issued , Subscribed and Paid-up 1,50,62,403 Equity Shares of Rs.10/- each (P.Y 70,08,000 Equity Shares of Rs.10/- each)	150,624,030	70,080,000

2.1 The details of shareholders holding more than 5% equity shares :

Name of the shareholder	31.03.2019		31.03.2018	
	No of shares	% of holding	No of shares	% of holding
Dayanand Agarwal	6,199,907	41.16	4,000,000	57.08
Anjani Kumar Agarwal	2,664,450	17.69	1,719,000	24.53
Sanjay Kumar Agarwal	1,997,950	13.26	1,289,000	18.39
Total	10,862,307	72.12	7,008,000	100.00

2.2 The Company has only one class of equity shares having face value of Rs.10 each. Each shareholder of Equity share is entitled to one vote per share.

The company declares and pays Dividend in Indian Rupees.

In the event of liquidation of the company, the equity shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.3. Reconciliation of shares outstanding at the beginning and at the ending of the year :

Particulars	31.03.2019		31.03.2018	
	No of shares	Amount in Rs.	No of shares	Amount in Rs.
Number of Shares at the beginning of the year	7,008,000	70,080,000	7,008,000	70,080,000
Add: Shares issued during the year	8,054,403	80,544,030	-	-
Number of Shares at the end of the year	15,062,403	150,624,030	7,008,000	70,080,000

2.4 During the year, the Company had issued bonus shares of 38,54,403 in the ratio of 11:20 i.e. eleven equity shares for every 20 shares held by the shareholders by capitalising securities premium of the on 01.07.2018.

Note 3: Reserves and Surplus

Particulars	As at 31.03.2019 Amount In Rs.	As at 31.03.2018 Amount In Rs.
a) Securities Premium		
Opening Balance	40,080,000	40,080,000
Add: Additions on account of issue of shares	273,000,000	-
Less: Reduction on account of issue of bonus shares	38,544,030	-
Closing balance	274,535,970	40,080,000
b) Surplus in Statement of Profit and Loss		
Opening balance	(22,162,906)	39,888,783
Add: Reserves from Amalgamated Company	-	(57,039,020)
Add: Profit for the year	26,290,830	25,047,331
Less: Loss on Amalgamation	-	(30,060,000)
Closing balance	4,127,924	(22,162,906)
Total (a+b)	278,663,894	17,917,094

Note 4: Long Term Borrowings

Particulars	As at 31.03.2019 Amount In Rs.	As at 31.03.2018 Amount In Rs.
Secured Loans		
Term Loans - Vehicles		
From Banks	25,904,690	-
From Others	8,350,759	18,872,013
Term Loans - Others	76,922,216	83,295,391
Unsecured Loans		
From Related parties	-	82,660,331
From Directors	22,703,899	115,663,077
From Relatives of Directors	-	58,548,645
Total	133,881,564	359,039,457

4.1: Term Loans Vehicles, from Banks represent loans from ICICI Bank Ltd secured by hypothecation of vehicles.

4.2: Term Loans Vehicle - others represent loans from Sundaram Finance Limited, Hinduja Finance Limited, TATA Motors Finance Limited and Mahindra & Mahindra Finance Service Limited secured by hypothecation of Vehicles.

4.3: Term Loan from others represent loan from India Infoline Housing Finance Limited secured by hypothecation of properties of relative of directors.

4.4: Loan from others represent amount borrowed from Rani Sati Enterprises

4.5: Maturity profile of Term Loans (Amount in Rs.)

Particulars	Next 12 Months	2020 - 21	2020-2026
ICICI Bank	18,103,479	18,119,448	7,785,242
Sundaram Finance Limited	1,357,301	117,210	-
Hinduja Finance Limited	5,841,740	-	-
TATA Motors Finance Limited	3,991,120	3,230,838	-
Mahindra & Mahindra Finance Service Limited	4,252,724	4,993,336	9,375
India Infoline Housing Finance Limited	8,329,538	9,247,482	67,674,734
Others	8,838,400	-	-
Total	50,714,302	35,708,314	75,469,351

Note 5: Deferred Tax Liabilities(net)

Particulars	As at 31.03.2019 Amount In Rs.	As at 31.03.2018 Amount In Rs.
Deferred tax liabilities on account of depreciation	15,998,651	15,826,613
Deferred tax asset on account of employee benefits	5,489,270	4,296,334
Deferred tax liability (net)	10,509,381	11,530,279

Note 6: Long-Term Provisions

Particulars	As at 31.03.2019 Amount In Rs.	As at 31.03.2018 Amount In Rs.
Provision for Employment Benefits Gratuity	8,088,923	7,248,193
Total	8,088,923	7,248,193

Note 7: Short Term Borrowings

Particulars	As at 31.03.2019 Amount In Rs.	As at 31.03.2018 Amount In Rs.
Secured Loans : Loans Repayable on demand From Banks	26,226,322	66,375,157
Debit Balance in Current Account	7,097,038	-
Total	33,323,360	66,375,157

Loan from bank represents Cash Credit facility from ICICI Bank Ltd secured against Book debts. Rate of interest - 9.75% as on 31.03.2019.

Note 8: Trade Payables

Particulars	As at 31.03.2019 Amount In Rs.	As at 31.03.2018 Amount In Rs.
Dues to Micro and Small Enterprises	-	-
Others	49,656,648	46,657,483
Total	49,656,648	46,657,483

Note 9: Other Current Liabilities

Particulars	As at 31.03.2019 Amount In Rs.	As at 31.03.2018 Amount In Rs.
Current Maturities of long term debt(Refer Note 4)	50,714,302	28,214,880
Rental Deposits	9,563,214	8,663,214
Statutory Liabilities	12,901,907	14,664,386
Creditors for Expenses	125,247,370	186,115,973
Expenses Payable	9,011,824	10,217,959
Salaries Payable	7,383,654	7,243,320
Interest on EPF Payable	-	903,316
Advance Received from Customers	1,123,790	10,931,544
Total	215,946,061	266,954,592

Note 10: Short-Term Provisions

Particulars	As at 31.03.2019 Amount In Rs.	As at 31.03.2018 Amount In Rs.
Provision for Employment Benefits		
Gratuity	1,243,886	881,564
Total	1,243,886	881,564

Note 11: Property, Plant and Equipment

(Amount in Rs.)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK AS AT	
	Gross Block as at 01.04.2018	Additions during the year	Sales / adjustments	Gross Block as at 31.03.2019	Up to 01.04.2018	For the year	On deletion /Adjustment	Up to 31.03.2019	31.03.2019	31.03.2018
Land	80,513,161	-	-	80,513,161	-	-	-	-	80,513,161	80,513,161
Buildings	267,304,103	49,448,293	-	316,752,396	35,640,548	9,464,151	-	45,104,699	271,647,697	231,663,555
Trucks	428,811,716	30,345,079	-	459,156,795	324,436,813	40,079,878	-	364,516,691	94,640,104	104,374,903
Electrical Installations	167,815	-	-	167,815	67,128	16,782	-	83,909	83,906	100,688
Plant and Machinery	67,160	-	-	67,160	17,908	4,477	-	22,386	44,774	49,252
Office Equipment	1,425,770	201,040	-	1,626,810	967,822	249,303	-	1,217,124	409,686	457,948
Furniture and fixtures	222,651	-	-	222,651	96,041	21,152	-	117,193	105,458	126,610
Computers	1,564,283	-	-	1,564,283	991,914	334,650	-	1,326,564	237,719	572,369
Vehicles	1,790,239	2,088,307	-	3,878,546	1,196,351	418,280	-	1,614,631	2,263,915	593,888
Grand Total	78,18,66,898	8,20,82,719	-	86,39,49,617	36,34,14,524	5,05,88,673	-	41,40,03,197	44,99,46,420	41,84,52,374
Previous year	42,20,80,657	1,17,34,002	34,80,52,239	78,18,66,898	27,45,01,790	5,89,62,193	2,99,50,541	36,34,14,524	41,84,52,374	14,75,78,867

Note 12: Capital Work-in-progress

Particulars	As at 31.03.2019 Amount In Rs.	As at 31.03.2018 Amount In Rs.
Warehouse Building	1,408,539	-
Total	1,408,539	-

Note 13: Long Term Loans and Advances

Particulars	As at 31.03.2019 Amount In Rs.	As at 31.03.2018 Amount In Rs.
Advance against Capital Asset	176,480,881	137,900,881
Total	176,480,881	137,900,881

Note 14: Inventories

Particulars	As at 31.03.2019 Amount In Rs.	As at 31.03.2018 Amount In Rs.
Tyres and Tubes	732,500	798,000
Packing Materials	1,935,093	981,242
Total	2,667,593	1,779,242

Note 15: Cash and Cash Equivalents

Particulars	As at 31.03.2019 Amount In Rs.	As at 31.03.2018 Amount In Rs.
Cash on Hand	1,679,396	890,401
Bank balances in current Accounts	6,459,418	10,418,788
Total	8,138,814	11,309,189

Note 16: Short Term Loans and Advances

Particulars	As at 31.03.2019 Amount In Rs.	As at 31.03.2018 Amount In Rs.
Advances to Employees	528,926	1,053,318
Advance to suppliers	46,955,669	411,330
Rental / Security Deposits	12,343,021	8,362,230
Service tax / Income Tax paid under protest	15,326,454	12,380,148
TDS Receivable, Advance tax net off provision for tax	39,375,573	37,010,825
Total	114,529,643	59,217,851

Note 17: Trade Receivables

Particulars	As at 31.03.2019 Amount In Rs.	As at 31.03.2018 Amount In Rs.
Unsecured Considered Good: More than six months from the date they are due for payment	7,599,913	3,207,915
Others	105,992,358	208,145,679
Total	113,592,271	211,353,594

Note 18: Other Current Assets

Particulars	As at 31.03.2019 Amount In Rs.	As at 31.03.2018 Amount In Rs.
Prepaid Expenses	6,926,143	363,338
MAT Credit Entitlement	8,247,443	6,307,350
Total	15,173,586	6,670,688

Note 19: Revenue From Operations

Particulars	For the year ended 31.03.2019 Amount in Rs.	For the year ended 31.03.2018 Amount in Rs.
From Transport Services:		
-Household Services	1,151,774,684	500,957,127
-Commercial Services	299,816,338	887,180,306
From Warehousing Services	50,816,434	36,728,018
Total	1,502,407,456	1,424,865,451

Note 20: Other Income

Particulars	For the year ended 31.03.2019 Amount in Rs.	For the year ended 31.03.2018 Amount in Rs.
Interest from IT	588,934	-
Recoveries and penalties from staff	-	1,305,935
Total	588,934	1,305,935

Note 21: Operating Expenses

Particulars	For the year ended 31.03.2019 Amount in Rs.	For the year ended 31.03.2018 Amount in Rs.
Vehicle hire charges and Maintenance	928,069,335	834,144,582
Packing and Packing Material Expenses	211,667,031	212,757,336

Godown Rent	16,468,021	14,698,437
Total	1,156,204,387	1,061,600,355

Note 22: Employee Benefits

Particulars	For the year ended 31.03.2019 Amount in Rs.	For the year ended 31.03.2018 Amount in Rs.
Salaries and Wages to Employees	52,787,007	38,911,715
Contribution to Provident Fund & Other funds	3,363,704	2,914,057
Other Benefits to Employees	9,723,042	20,989,694
Total	65,873,753	62,815,466

Note 23: Finance Costs

Particulars	For the year ended 31.03.2019 Amount in Rs.	For the year ended 31.03.2018 Amount in Rs.
Interest on Long Term Borrowings	13,351,701	4,057,730
Interest on Short Term Borrowings	7,151,584	18,461,540
Other Borrowings Costs	5,766,419	2,552,349
Total	26,269,704	25,071,619

Note 24: Other Expenses

Particulars	For the year ended 31.03.2019 Amount in Rs.	For the year ended 31.03.2018 Amount in Rs.
Office Rent	6,837,869	8,186,619
Communication expenses	4,492,326	3,823,328
Advertisement and publicity	33,066,730	15,838,669
Professional and consultancy charges	1,670,795	3,549,069
Printing and Stationery Expenses	2,863,485	3,736,745
Travelling and Conveyance Expenses	16,060,332	12,644,211
Electricity Expenses	4,606,648	3,501,324
Office and Godown Expenses	13,171,980	9,088,722
Donations	85,512	115,830
Commission, brokergae and Escort Charges	1,333,168	1,498,390

Balances Written off / adjusted	-	10,938,958
Rates , Taxes and insurance	2,079,844	2,612,103
Miscellanoues Expenditures	10,577,513	14,951,544
Claim and Other Expenditures	73,360,371	86,738,080
Auditors' Remuneration (Refer Note 24a)	847,741	953,803
Prior period Expenditure*	-	6,736,679
Computer Maintenance	1,509,883	1,872,385
Total	172,564,197	186,786,459

* Represents depreciation and bonus relating to earlier years

Note 24a: Auditors' Remuneration

Particulars	For the year ended 31.03.2019 Amount in Rs.	For the year ended 31.03.2018 Amount in Rs.
Statutory Audit	400,000	400,000
Tax Audit	200,000	200,000
Certification Charges	200,000	299,000
Others	47,741	54,803
Total	847,741	953,803

Note 25: Earnings Per Share

Particulars	For the year ended 31.03.2019 Amount in Rs.	For the year ended 31.03.2018 Amount in Rs.
Profit for the year after tax	26,290,830	25,047,331
No. of Equity Shares	15,062,403	10,862,403
Earnings per share (Basic and Diluted)	1.75	2.31
Face Value of Share	10	10

Note 26: Segment Reporting

(Amount in Rs.)

Particulars	31.03.2019			31.03.2018		
	Transport Division	Warehouse Division	Total	Transport Division	Warehouse Division	Total
Revenue						
Service Income	1,451,591,022	50,816,434	1,502,407,456	1,388,137,433	36,728,018	1,424,865,451
Total Revenue	1,451,591,022	50,816,434	1,502,407,456	1,388,137,433	36,728,018	1,424,865,451
Segment Result before Interest and Tax	16,653,097	41,112,283	57,765,380	34,686,755	27,817,881	62,504,636
Interest - Unallocated	-	-	26,269,704	-	-	31,569,343
Taxes - Unallocated	-	-	5,204,845	-	-	5,887,962
Net Profit	16,653,097	41,112,283	26,290,831	34,686,755	27,817,881	25,047,331
Other information						
Segment Assets	487,879,698	394,058,049	881,937,747	534,507,103	312,176,716	846,683,819
Unallocated corporate Assets	-	-	-	-	-	-
Total Assets	487,879,698	394,058,049	881,937,747	534,507,103	312,176,716	846,683,819
Segment Liabilities	443,586,610	9,063,214	452,649,823	592,017,504	166,669,222	758,686,726
Unallocated corporate Liabilities	-	-	-	-	-	-
Total Liabilities	443,586,610	9,063,214	452,649,823	592,017,504	166,669,222	758,686,726

26.1: Information on Segment Reporting is given in accordance with the Accounting Standard 17. The revenue, results, capital employed have been given Business Segment wise. Expenditure, Assets and liabilities are classified to the segments to the extent that are identified and the balance of expenditure, assets and liabilities were considered as un-allocable.

26.2: The Company has no geographical segments based on criteria defined in Accounting Standard 17, 'Segment Reporting'.

Note 27 : Foreign exchange Earnings and outgo

Particulars	For the year ended 31.03.2019 Amount in Rs.	For the year ended 31.03.2018 Amount in Rs.
Foreign Exchange Earnings	NIL	NIL
Foreign Exchange Expenditure	199,791	NIL

Note 28 : Contingent Liabilities and Commitments

- a) The DGCEI has issued a show cause notice stating that the services to the House Hold Goods falls under the classification of Cargo Handling Services instead of Goods Transport Agency. The amount involved in the above is Rs.15.07 Crores. The Commissioner of Customs, Central Excise & Service Tax, Commissioner ate - IV, and Hyderabad confirmed the order and the Company filed an appeal before CESTAT and the same is pending.
- b) For the assessment year 2013-14, the Assessing Officer has disallowed Expenditure for Rs,2,71,05,788/- vide his order dt 28-01-2016. Aggrieved by this, the company has filed order with the CIT(A) for the above amounts At CIT(A), an amount of Rs.1,59,10,268/- was disallowed out the total amount, for which, tax liability including interest comes to Rs,32,38,929/- Vide CIT (A) Order No.0283/2015-16/CIT(A) 5 Dated:29-07-2016 Further, the company has filed an appeal in Tribunal (ITAT). The Company has received Consequential order declaring above liability to the tune of Rs.29, 05,900.
- c) The Company has received a notice from Assistant P F Commissioner, Hyderabad vide Letter No.TS/ENF/RO/HYD/6378/C-IV/T-1/2016/6393 Dated: 08-02-2016 towards non-payment Employees Provident Fund of non-enrolled employees of the Establishment from 04/2014 to 12/2015.
- d) For the period April'2013 to March'2014, Joint Commissioner – Central Excise & Service tax has issued a demand vide Order no. 051/2016-17-Adjn(JC)-S.Tax for an amount of Rs.54.88 Lakhs and penalty of Rs.5.48 lakhs. Appeal has been filed with the Commissioner of Appeals.
- e) For the period April'2014 to March'2015, Commissioner – Central Excise & Service tax has issued a demand vide Order no.79/2016-17-Adjn(Commr)-Service Tax for an amount of Rs.4.49 Crores. and penalty of Rs.44.92 Lakhs. Appeal is filed with the CESTAT.
- f) In the case of DRS Warehousing (South) Private Limited (Transferee) company, For the period 2011 -12 (AY – 2012 -13), the IT appellate tribunal, Hyderabad has issued an order I.T.A.No.1210/HYD/2016 dt.09.05.2017 for an amount of Rs 13,73,710/- regarding taxability of interest earned on fixed deposits during preoperative period stating the grounds for the dismissal of appeal made by the Company. Company has paid an amount of Rs 1,00,000 under protest. The same has been referred to High court Judicature and filed an affidavit.

B) Commitments:

Estimated amount of Capital commitments: Rs.1,97,91,461/- (P.Y – 3,87,09,800).

Note : 29 Employee Benefits**29.1 Defined Contribution Scheme**

S.no	Particulars	31.03.2019 Amount In Rs.	31.03.2018 Amount In Rs.
1	Company's Contribution to Provident Fund	2,246,890	1,948,061

29.2 Defined benefit plan

The Company Account gratuity Expense based on the actuarial valuation done by an independent actuary

Gratuity**A) Actuarial Assumption**

S NO	Particulars	31.03.2019	31.03.2018
1	Discount Rate	7.75%	7.75%
2	Salary Escalation	5%	5%
3	Retirement Age	58	58

B) Components of Employer Expenses

S.no	Particulars	31.03.2019 Amount In Rs.	31.03.2018 Amount In Rs.
1	Current service cost	1,116,313	905,234
2	Interest cost	630,056	580,262
3	Employee Contribution	-	-
4	Expected Return on Planned assets	-	-
5	Actuarial (Gain) / Losses on Obligation	(543,317)	(842,992)
6	Past Service cost	-	-
7	Settlement / Curtailment (Gain)	-	-
8	Total Expenses	1,203,052	642,504

C) Asset/Liability recognised in the Balance sheet

S.n o	Particulars	31.03.2019 Amount In Rs.	31.03.2018 Amount In Rs.
1	Present Value of defined benefit obligation as at the end of the year	9,332,809	8,129,757
2	Fair Value of plan asset as at the end of the year	-	-
3	Status (Surplus/ Deficit)	(9,332,809)	(8,129,757)
4	Net Asset / (Liability) Recognised in Balance sheet	(9,332,809)	(8,129,757)

D) Change in Obligation during the year

S.n o	Particulars	31.03.2019 Amount In Rs.	31.03.2018 Amount In Rs.
1	Present Value of obligations at the beginning of the year	8,129,757	7,487,253
2	Current Service Cost	1,116,313	905,234
3	Interest Cost	630,056	580,262

4	Settlement / Curtailment (Gain)	-	-
5	Past Service Cost	-	-
6	Employee Contributions	-	-
7	Actuarial (Gain) / Losses on obligation	(543,317)	(842,992)
8	Benefits paid	-	-
9	Closing Defined Benefit obligation	9,332,809	8,129,757

Note 30: During the year Company has raised an amount of Rs 31,50,00,000 through Initial Public offer(IPO) by way of equity shares. The projected utilisation of funds as per prospectus and actual utilisation of funds till balance sheet date is as under.

(Amount in Rs.)

Sl. No	Particulars	Projected utilization of funds as per prospectus	Actual utilization of funds till 31.03.2019	Deviation any (if any)
1	Repayment of Unsecured Loans	175,000,000	175,000,000	-
2	Additional Warehouse in Telangana	50,000,000	50,000,000	-
3	Acquiring Additional Branch for business*	15,000,000	15,000,000	-
4	Part payment of term loans	30,000,000	5,618,084	24,381,916
5	Part Repayment of Cash credit Facilities	30,000,000	30,000,000	-
6	General Corporate Purposes	9,000,000	33,381,916	(24,381,916)
7	Issue Related Expenses	6,000,000	6,000,000	-
	Total	315,000,000	315,000,000	-

*Out of the above an amount of Rs 70,00,000 was paid out of internal accruals and subsequently recovered out of IPO proceeds.

Note 31 : Related Party Disclosures as per AS 18, read with Companies Act,2013

i) Key Managerial Personnel (KMP):

- Mr. Dayanand Agarwal, Chairman and Managing Director
- Mr. Sujan Chand Agarwal, Whole Time Director
- Mr. Anjani Kumar Agarwal, Chief Executive Officer
- Mamidi Suneel Bhudev, Director from 01.07.2018
- Mr. Ajai Kumar Agarwal, Director from 01.07.2018
- Mrs. Shamantha Dodla, Director from 01.07.2018
- Mr. Anil Kumar Ganga, Company Secretary from 01.07.2018 to 22.01.2019
- Mrs. Pooja Bang, Company Secretary from 22.01.2019
- Mr. Sethumadhavarao Chikkaballapur Raghunandan, Chief Financial Officer, from 01.07.2018

ii) Relatives of Key Managerial Personnel:

- Mrs. Shasikala Agarwal, Spouse of Mr. Dayanand Agarwal

- b) Mrs. Pinky Agarwal, Spouse of Mr. Anjani Kumar Agarwal
- c) Mrs. Sunita Agarwal, Spouse of Mr. Sanjay Kumar Agarwal
- d) Mrs. Munni Devi Sharma, Spouse of Mr. Sughan Chand Sharma
- e) Mr. Manoj Kumar Sharma, Son of Mr. Sughan Chand Sharma
- f) Mr. Mishrilal Sharma, Brother of Mr. Sughan Chand Sharma
- g) Mr. Banvarilal Sharma, Son of Mr. Sughan Chand Sharma
- h) Mr. Sanjay Kumar Agarwal, Son of Mr. Dayanand Agarwal
- i) Mr. Anjani Kumar Agarwal, Son of Mr. Dayanand Agarwal

iii) Enterprises in which key managerial personnel and/or their relatives have control:

- a) DRS Cargo Movers Private limited (Formerly Known as - DRS Labs (India) Private Limited)
- b) DRS Logistics Private Limited
- c) Agarwal Relocators Private Limited
- d) DRS International School Private Limited
- e) MDN Edify Education Private Limited
- f) DRS Educational Society
- g) DRS Education Private Limited
- h) DN Trust

iv) Aggregated Related Party Disclosures:

(Amount in Rs.)

Nature of Transaction	Key Managerial personnel	Relatives of KMP	Enterprises Controlled by KMP /Relatives of KMP	Total
Issue of Bonus Shares	31,454,290	7,089,680	-	38,543,970
	-	-	-	-
Managerial Remuneration	1,731,477	-	-	1,731,477
	(1,267,287)	-	-	(1,267,287)
Remuneration	1,798,248	-	-	1,798,248
Services Rendered	602,789	-	-	602,789
Advertisement Expenses	-	-	20,788,444	20,788,444
	-	-	(11,620,492)	(11,620,492)
Advances/ Loans taken	45,364,639	16,703,061	11,565,669	73,633,369
	-	(55,000)	(75,144,544)	(75,199,544)
Advances/ Loans Given	-	-	204,780,476	-

DRS DILIP ROADLINES LIMITED
(CIN: L60231TG2009PLC064326)
Registered Office: 306, 3rd Floor, Kabra Complex,
61, M G Road, Secunderabad, TG - 500003
investors@drsindia.in, www.drsindia.in

ATTENDANCE SLIP FOR 10TH ANNUAL GENERAL MEETING

(to be surrendered at the venue of the meeting)

I certify that I am a registered shareholder/proxy/representative for the registered shareholder(s) of DRS Dilip Roadlines Limited.

I hereby record my presence at the 10th Annual General Meeting of the shareholders of DRS Dilip Roadlines Limited on Friday the 27th Day of September, 2019 at 03.00 P.M. at 2nd Floor, Kabra Complex, 61, M G Road, Secunderabad, TG 500003

Reg. Folio No. / Client ID	
DP ID	
No. of Shares	

Name & Address of Member

--

Signature of Shareholder/Proxy/Representative
(Please Specify)

DRS DILIP ROADLINES LIMITED
 (CIN: L60231TG2009PLC064326)
 Registered Office: 306, 3rd Floor, Kabra Complex,
 61, M G Road, Secunderabad, TG - 500003
investors@drsindia.in, www.drsindia.in

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
 (Management and Administration) Rules, 2014]

CIN	L60231TG2009PLC064326
Name of the company	DRS DILIP ROADLINES LIMITED
Registered office	306, 3rd Floor, Kabra Complex, 61, M G Road, Secunderabad, TG 500003 IN.
Name of the member(s)	
Registered Address	
Email Id	
Folio No / Client ID	DP ID :

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

1.	Name		Signature	
	Address			
	E-mail Id			
or failing him / her				
2.	Name		Signature	
	Address			
	E-mail Id			
	or failing him			

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 10th Annual General Meeting of the company, to be held on Friday, the 27th day of September, 2019 at 03.00 P.M. at 2nd Floor, Kabra Complex, 61, M G Road, Secunderabad, TG 500003, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	For	Against
1. Adoption of Financial Statement for the FY ended 31st March, 2019.		
2. Appointment of Director in place of Ms. Shamantha Dodla (DIN: 08165176) who retires by rotation and being eligible offers herself for re-appointment.		
3. Appointment of M/s Ramanatham & Rao, Chartered Accountants, (Registration No 002934S) as the Statutory Auditors of the Company		
4. Approval for utilization of IPO proceeds.		

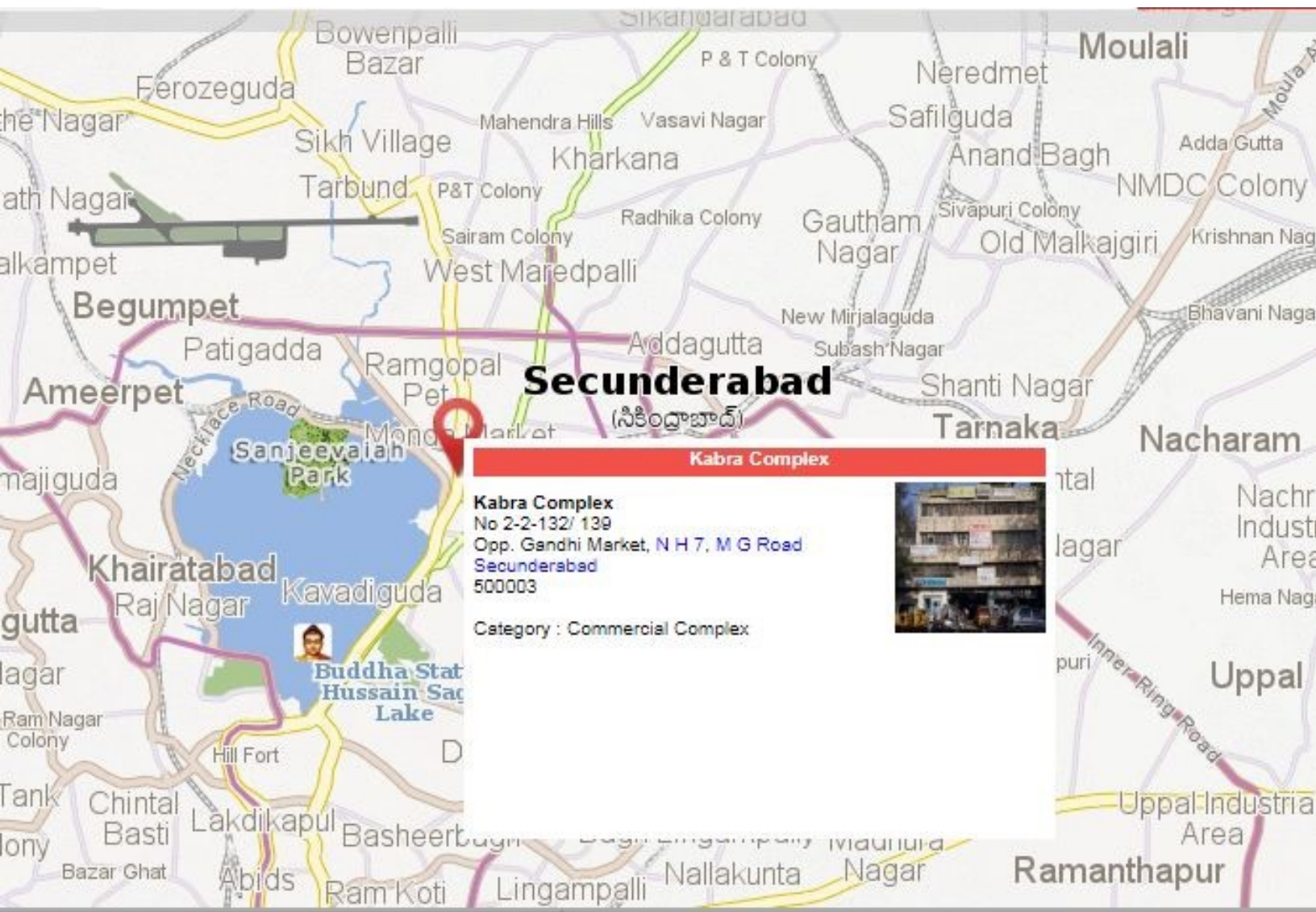
Signed this day of 2019.

Signature of shareholder: _____

Signature of Proxy holder(s) : _____

Affix Revenue Stamp of not less than Rs. 1

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



Kabra Complex
No 2-2-132/ 139
Opp. Gandhi Market, N H 7, M G Road
Secundersabad
500003

Category : Commercial Complex



If undelivered please return to

DRS DILIP ROADLINES LIMITED

306, 3rd Floor, Kabra Complex, 61, M G Road,
Secunderabad, Telangana, 500003