

DRS DILIP ROADLINES PVT. LTD.,

SEVENTH
ANNUAL REPORT 2015-16

Regd. Office: Flat No:306, Kabra Complex, Secunderabad

NOTICE

Notice is hereby given that the Sixth Annual General Meeting of the members of **DRS DILIP ROADLINES PRIVATE LIMITED** will be held on Wednesday, the 30th Day of September, 2016, at 10.30 A.M. at the registered office of the Company at 306, 3rd Floor, Kabra Complex, 61 M G Road, Secunderbad-500 003 to transact the following items of business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited accounts for year ending on 31st March, 2016 along with the Report of Directors and Auditors thereon.
2. To re-appoint M/s M Anandam & Co., Chartered Accountants, as the Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and to authorize the Board to fix their remuneration.

BY ORDER OF THE BOARD
FOR DRS DILIP ROADLINES PVT LTD


DIRECTOR



Place: Secunderabad
Date: 02-09-2016

DIRECTORS' REPORT

To
The Members

Your Directors have pleasure in presenting before you the Sixth Annual Report and Accounts for the year ending 31st March, 2016.

PERFORMANCE OF THE COMPANY:

During the year under review, your company earned a Net Profit of Rs 120.80 lakhs after making a provision for interest and depreciation. Your company achieved a turnover of Rs. 15308.39 lakhs as against Rs. 14618.85 lakhs in the previous year. The performance details are as under:

(Rupees in Lakhs)

		Current Year		Previous Year
Particulars				
Turnover		15,308.39		14,618.85
Profit before Interest and Depreciation		1166.69		1,023.13
Less: Interest	390.26		366.98	
Depreciation	655.62		544.89	
Profit for the year		120.80		111.25
Prior Period Adjustment		11.67		--
Tax		12.93		21.20
Deferred Tax Liability		(6.93)		48.76
Profit transferred to Balance sheet		98.63		41.29

DIVIDEND:

Board of Directors of your company do not recommend any dividend for the year ended 31st March, 2016.

PARTICULARS OF EMPLOYEES:

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report.

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DIRECTORS:

Shri Anjani Kumar Agarwal re-appointed as Directors of the Company by rotation and Suganchand Sharma has appointed newly as director.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Accordingly pursuant to Section 134(5) of the Companies, Act, 2013 the Board of Directors to the best of their knowledge and ability confirm:-

- i) that in the preparation of the annual accounts for the financial year ended 31st March 2015, the applicable accounting standards have been followed, along with proper explanation relating to material departures.
- ii) that they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- iii) that they have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) that they have prepared the annual accounts for the financial year ended 31st March 2016, on a going concern basis.

AUDITORS:

M/s. M Anandam & Co, Chartered Accountants, Secunderabad, the Statutory Auditors of your Company, retires at the conclusion of the ensuing Annual General Meeting and being eligible offers themselves for re-appointment.

The Statutory Auditors have furnished a certificate stating that their appointment, if made for another term, will be in accordance with the provisions of the Companies Act, 2013.

The Board recommends their re-appointment.

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

Information as required under the provisions of the Companies Act, 2013 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, is annexed as Annexure A and forms part of this Report.

COMPLIANCE CERTIFICATE:

Pursuant to the provisions of the Companies Act, 2013 and all other applicable provisions, if any., M/s P.S. Rao & Associates, Company Secretaries, Hyderabad were appointed by the Board of Directors to issue the Compliance Certificate for the financial year 2015-2016. A copy of the same is annexed with this report as Annexure B.

ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation for the Co-operation received by them from the staff, bankers and others. The Board on behalf of the company thankful to the people who have extended their co-operation and given guidance for conduct of business.

FOR & ON BEHALF OF THE BOARD


DIRECTOR


DIRECTOR


Place: Secunderabad

Date: 02-09-2016

Annexure 'A' to the Directors Report

Information under the provisions of the Companies Act, 2013 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, and forming part of the Directors Report:

A. CONSERVATION OF ENERGY:

- a) Energy conservation measures taken: The Company is very careful in using the power to reduce the cost of maintenance and conserve the resources.
- b) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy: NIL
- c) Impact of the clause (1) and (2) above for reduction of energy consumption and consequent impact on the production of goods: N.A.

B. TECHNOLOGY ABSORPTION:

FORM B

Form for disclosure of particulars with respect to Absorption:

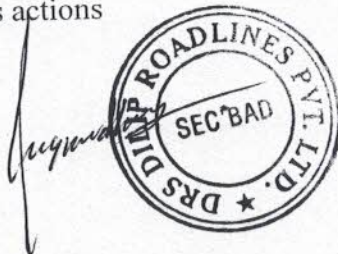
Research and Development (R& D)

1. Specific areas in which R&D carried out by the company	:	NIL
2. Benefits derived as a result of the above R&D	:	NIL
3. Future plan of action	:	NIL
4. Expenditure on R&D	:	
Capital	:	NIL
Recurring	:	NIL
Total	:	
Total R&D Expenditure as % of total turnover	:	NIL

Technology Absorption, Adaptation and Innovation

1. Efforts made towards technology absorption adaptation and innovation	:	NIL
2. Benefits derived as a result of above efforts	:	NIL
3. Information about imported technology	:	NIL

- a. Technology imported : N.A.
- b. Year of import : N.A.
- c. Whether Technology fully absorbed : N.A.
- d. If not fully absorbed, areas and reasons for future plans actions : N.A.



C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans: **Nil**

Foreign Exchange Earnings and outgo:

<u>Particulars</u>	<u>31.03.2016</u>	<u>31.03.2015</u>
Foreign Exchange Earnings :	Nil	Nil
Foreign Exchange Outgo :	Nil	Nil

FOR & ON BEHALF OF THE BOARD


DIRECTOR



Place: Secunderabad
Date: 02-09-2016

M. ANANDAM & CO.,
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To
The Members of DRS Dilip Roadlines Private Limited
Secunderabad

Report on the Financial Statements

We have audited the accompanying financial statements of DRS Dilip Roadlines Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

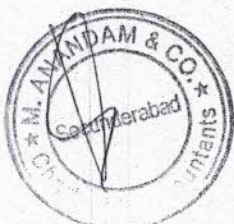
Management's Responsibility for the Financial Statements

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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



M. ANANDAM & CO.,
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To
The Members of DRS Dilip Roadlines Private Limited
Secunderabad

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the financial statements.

Basis for Qualified Opinion

The Company has not made provision for gratuity on actuarial basis which is required as per AS -15 "Employee Benefits" instead the same is accounted on cash basis. The impact on the accounts is not ascertained by the management.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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.

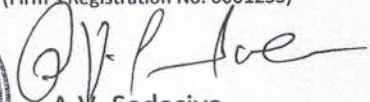


- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of 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, 2016 taken on record by the Board of Directors, two of the directors are disqualified as on 31st March, 2016 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 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:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 22 to the financial statements;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Hyderabad
Date: 02.09.2016



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


A.V. Sadasiva
Partner
M.No.018404

Annexure - A to the Auditors' Report

The Annexure referred to in our report to the members of the Company for the year ended on 31st March, 2016. 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) The Company does not own any immovable properties. Accordingly paragraph 3 (i) (c) of the Order is not applicable.
- (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 (i) any loans; (ii) made investments; (iii) given guarantees (iv) given 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 there under.
- (vi) Maintenance of cost records as prescribed under sub-section (1) of section 148 of the Act is not applicable.
- (vii) (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, 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 statutory due	Amount (Rs.)
Tax Deducted at Source	8,45,002
Service tax	10,40,212



- (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 cess on account of any dispute to the extend not paid except the following.

Name of the statute	Nature of dues	Period to which the amount relates	Amount (Rs in Crores)	Forum where dispute is pending
Finance Act, 1994	Service tax	2009-10 to 2013-14	13.85	Hyderabad Commissionerate IV
Income tax Act, 1961	Income tax	A.Y.2013-14	0.34	The company is in the process of filing appeal in TRIBUNAL (ITAT).

- (viii) The Company has not defaulted in repayment of loans or borrowing to financial institutions or banks.
- (ix) The Company did not raise any money by way of initial public offer or further public offer during the year. 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) Since the company is a private limited company paragraph 3(xi) is not applicable.
- (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.

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,



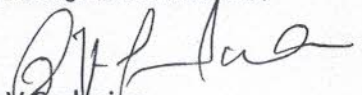
paragraph 3 (xv) of the Order is not applicable.

- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Secunderabad
Date: 02.09.2016



For M.Anandam & Co.
Chartered Accountants
(Firm's Registration No. 0001255)


A.V. Sadasiva
Partner
Membership No.018404

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of DRS Dilip Roadlines Private Limited ("the Company") as of 31 March 2016 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.

Auditors' 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 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

Disclaimer of Opinion

According to the information and explanation given to us, the company has not established its Internal financial controls over Financial Reporting on criteria based or on considering essential components of internal control stated in the guidance note issued by ICAI.

Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion on whether the company had adequate Internal financial controls over Financial Reporting and whether such Internal financial controls over Financial Reporting were operating effectively as at 31st March 2016.



We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the financial statements of the company as at and for the year ended 31st March 2016 and the disclaimer does not affect our opinion on the financial statements of the company.

Place: Secunderabad
Date: 02.09.2016



For M.Anandam & Co.
Chartered Accountants
(Firm's Registration No. 0001255)

A.V.Sadasiva
Partner
Membership No.018404

DRS Dilip Road Lines Private Limited

Balance Sheet as at 31st March, 2016

		Amount in Rs.	
PARTICULARS	NOTES	31.03.2016	31.03.2015
EQUITY AND LIABILITIES			
1. Shareholders' Funds			
a) Share capital	2	30,000,000	30,000,000
b) Reserves and Surplus	3	29,407,835	19,544,402
2. Non-current Liabilities			
a) Long term borrowings	4	28,112,260	92,312,824
b) Deferred tax liabilities	5	12,741,573	13,493,603
3. Current Liabilities			
a) Short term borrowings	6	188,195,012	157,716,035
b) Trade payables	7		
i) Dues to micro enterprises and small enterprises		-	-
ii) Others		60,781,444	61,980,746
c) Other current liabilities	8	183,680,048	124,352,135
TOTAL EQUITY AND LIABILITIES		532,918,172	499,399,745
B - ASSETS			
1. Non-Current Assets			
a) Fixed Assets	9	214,146,894	248,729,295
b) Other non current Assets	10	138,970,823	-
2. Current Assets			
a) Inventories	11	8,191,294	9,719,485
b) Trade Receivables	12	109,221,318	146,467,816
c) Cash and Cash Equivalents	13	20,840,887	13,688,245
d) Short term loans and advances	14	37,521,152	71,697,484
e) Other current assets	15	4,025,804	9,097,416
TOTAL ASSETS		532,918,172	499,399,745
Significant Accounting policies	1		

The Notes referred to above and the statement on significant accounting policies form an integral part of the Balance Sheet

In terms of our report attached
For M. ANANDAM & CO
Chartered Accountants
Firm No. 000125S

A V SADASIVA
Partner

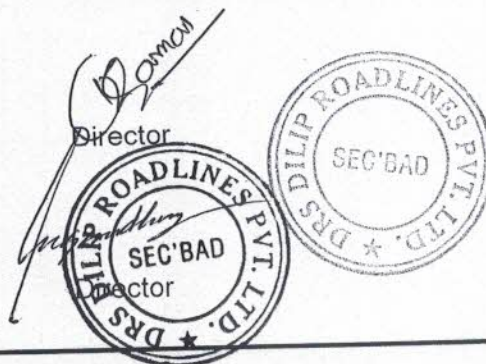
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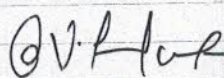
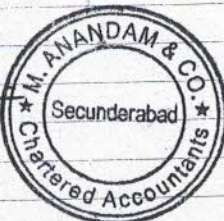
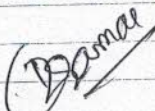


Place: Secunderabad

Date: 02-09-2016



For and on behalf of the Board



DRS Dilip Road Lines Private Limited			
Statement of Profit & Loss for the year ended 31st March, 2016			
PARTICULARS	NOTE	Amount in Rs.	
		31.03.2016	31.03.2015
Revenue from operations	16	1,530,233,916	1,453,833,036
Other income	17	605,711	8,052,339
TOTAL INCOME		1,530,839,627	1,461,885,375
EXPENDITURE			
Employee Benefits	18	79,995,144	59,856,319
Finance costs	19	39,026,463	36,698,200
Depreciation	9	65,562,236	54,488,651
Other Expenses	20	1,334,175,938	1,299,716,286
TOTAL		1,518,759,781	1,450,759,455
Profit Before Tax		12,079,846	11,125,919
Current tax		3,561,200	2,120,044
Earlier Year Taxes		(592,756)	-
Deferred tax		(752,030)	4,876,357
Profit after tax		9,863,433	4,129,518
Earnings per share	24	0.33	0.14
Significant Accounting policies	1		
The Notes referred to above and the statement on significant accounting policies form an integral part of the Balance Sheet			
For M. ANANDAM & CO Chartered Accountants Firm No. 000125S		For and on behalf of the Board	
 A V SADASIVA Partner M No: 18404 Place: Secunderabad Date: 02-09-2016		 Director	
		 Director	

DRS Dilip Road Lines Private Limited
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2016

(Amount in Rs.)

Particulars	FY 2015-16		FY 2014-15	
A) CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit before Tax	12,079,846		11,125,919	
Adjustment for :				
Add: Depreciation	65,562,236		54,488,651	
Add: Interest	39,026,463		36,698,200	
Add: Loss on Sale of Trucks	-		969,008	
	116,668,546		103,281,778	
Operating Profit Before Working Capital Changes				
Changes in Working Capital				
(Increase)/Decrease in Inventories	1,528,191		(1,227,317)	
(Increase)/Decrease in Trade and other Receivables	76,494,443		(8,739,315)	
Increase/(Decrease) in trade payables and other liabilities	56,359,487		6,940,534	
Cash Generated from Operations	251,050,666		100,255,679	
LESS: Taxes Paid	-	251,050,666	-	100,255,679
Net Cash Flow from Operating Activities				
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Proceeds from Sale of Trucks	-		1,810,804	
Purchase of Fixed Assets	(30,979,855)		(110,705,308)	
Net Cash Flow/(Used) from(In) Investing Activities	(30,979,855)	(30,979,855)	(110,705,308)	(108,894,504)
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Inflow / (Outflow)				
Proceeds / (Repayment) of Other Loans	(33,721,587)		35,766,958	
Interest Paid	(39,026,463)		(36,698,200)	
Net Cash Flow from Financing Activities		(72,748,050)		(931,242)
D) NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS:		147,322,761		(9,570,067)
Cash and Cash Equivalents at the beginning of the year		13,688,249		23,258,316
Cash and Cash Equivalents at the close of the year		20,840,887		13,688,249

For M. ANANDAM & CO
Chartered Accountants
Firm No. 000125S

A V SADASIVA
Partner

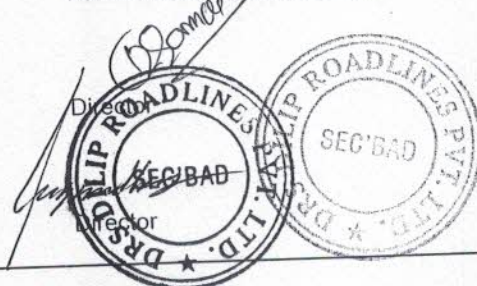
M No: 18404

Place: Secunderabad

Date: 02-09-2016



For and on behalf of the Board



DRS Dilip Roadlines Private Limited

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. Revenue from warehousing is recognized at the end of every month on the basis of terms and conditions of arrangement with respective customers.

3) Fixed Assets

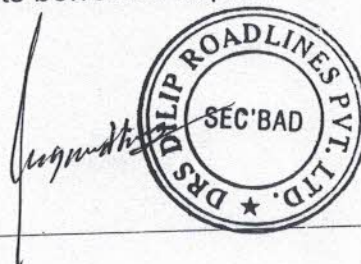
Fixed assets are stated at cost of acquisition, including any attributable cost for bringing the asset to its working condition for its intended use, less accumulated depreciation and impairment loss. Depreciation on tangible assets is calculated on a straight-line basis as per the rates prescribed under 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 Costs:

Borrowing costs relating to acquisition of fixed assets 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:

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.

8) Disclosures for micro and small enterprises:

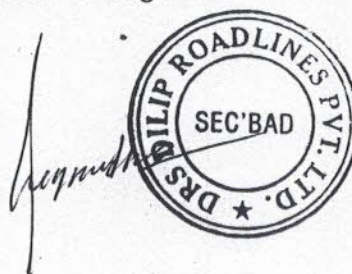
We have recorded all known liabilities in the finance statements. The Company has not received any intimations from suppliers regarding their status under the micro, small and medium enterprises development act, 2006 and hence disclosures, if any relating to amount unpaid as at the yearend together with interest paid or payable as required under the said act have not been given.

9) 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.

10) Provisions, Contingent Liabilities and Contingent Assets

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.



11) 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.

12) 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.

13) 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, that 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 affects of all dilutive potential equity shares.

14) Cash Flow Statement:-

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities.

15) Foreign Exchange Earning and outgo:-

Particulars	31-03-2016	31-03-2015
Foreign Exchange Earnings	NIL	NIL
Foreign Exchange Expenditure	NIL	NIL

16) Segment-wise Reporting:

The company has one reportable segment i.e., transportation of goods by road and hence the disclosures as per AS 17 not applicable.



DRS Dilip Road Lines Private Limited

Notes to Financial statements for the period ended Mar 31, 2016

Note 2: Share Capital

Amount in Rs.

PARTICULARS	31.03.2016	31.03.2015
AUTHORIZED		
30,00,000 Equity Shares of Rs.10/- each (P.Y 30,00,000 Equity Shares of Rs.10/- each)	30,000,000	30,000,000
ISSUED AND SUBSCRIBED		
30,00,000 Equity Shares of Rs.10/- each (P.Y 30,00,000 Equity Shares of Rs.10/- each)	30,000,000	30,000,000

The details of shareholders holding more than 5% equity shares

Name of the shareholder	As on 31.03.2016		As on 31.03.2015	
	No. of equity shares	% of holding	No. of equity shares	% of holding
Anjani Kumar Agarwal	1,715,000	57.17	1,715,000	57.17
Sanjay Kumar Agarwal	1,285,000	42.83	1,285,000	42.83



Note 3: Reserves & Surplus			
PARTICULARS		31.03.2016	31.03.2015
Reserves & Surplus			
Opening balance		19,544,402	9,477,996
Add: MAT Credit Adjustment		-	5,936,888
Add: Net profit transferred from Profit & Loss account		9,863,433	4,129,518
Closing balance		29,407,835	19,544,402
TOTAL		29,407,835	19,544,402

NOTE 4: Long Term Borrowings

PARTICULARS		31.03.2016	31.03.2015
Secured loans			
Term Loans		28,112,260	92,312,824
TOTAL		28,112,260	92,312,824

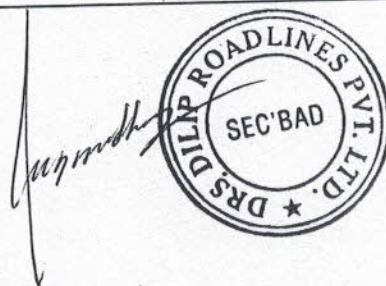
4.1 Term Loans represents vehicle loans from Central bank of India, Corporation bank, Hinduja Finance, Tata Motor Finance Ltd., Sundaram Finance and SREI Equipment finance Limited secured by hypothecation of vehicles

4.2. Maturity profile Term Loans from Banks			Amount in Rs.
Particulars	2016-17	2017-18	2018-19
SREI Equipment Finance Limited	17,664,176	9,286,014	349,478
Corporation Bank	14,561,822	844,647	-
Central Bank of India	1,500,000	-	-
Hinduja Finance Ltd	12,997,242	2,298,786	-
SUNDARAM FINANCE LTD.,	13,871,234	8,071,018	-
TATA MOTORS FINANCE LTD.,	9,010,200	2,479,715	-
Mahindra & Mahindra Fin. Service Ltd	3,682,020	4,258,625	523,975
TOTAL	73,286,694	27,238,805	873,453

The Current Maturities of Rs.7,32,86,694/- is shown in the Note:8 and under Other Current Liabilities

NOTE 5: Deferred Tax Liability

PARTICULARS		31.03.2016	31.03.2015
Deffered tax liability (opening)		13,493,603	8,617,240
Add/(Less): Current Year		(752,030)	4,876,351
Closing Balance		12,741,573	13,493,603



Note No.9

DRS Dilip Roadlines Private Limited

Schedules forming part of the Balance Sheet

FINANCIAL YEAR: 2015-2016

Fixed assets*

(Amount in Rupees)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2015	Additions during the year	Deletion/ adjustments	As at 31.03.2016	As on 01.04.2015	For the period	On Deletion	As at 31.03.2016	As at 31.03.2016	As on 31.03.2015
Office Equipment	1,086,194	-	-	1,086,194	175,911	206,377	-	382,288	703,906	910,283
Furniture and fixtures	143,430	72,221	-	215,651	23,893	18,217	-	42,110	173,541	119,537
Computers	1,077,795	24,600	-	1,102,395	555,628	346,653	-	902,281	200,114	522,167
Trucks	386,952,071	30,766,209	-	417,718,280	140,956,002	64,804,995	-	205,760,997	211,957,283	245,996,069
Two wheelers	538,123	116,825	-	654,948	158,122	51,122	-	209,244	445,704	380,001
Cars	1,135,291	-	-	1,135,291	334,073	134,873	-	468,946	666,345	801,218
Grand Total	390,932,904	30,979,855	-	421,912,759	142,203,630	65,562,236	-	207,765,865	214,146,894	248,729,275
Previous year	287,219,009	110,705,308	6,991,392	390,932,925	90,926,554	54,488,651	4,211,575	142,203,630	248,729,295	195,292,455



NOTE 6: Short Term Borrowings			
PARTICULARS		31.03.2016	31.03.2015
Secured loans			
From Banks		159,641,459	105,874,873
Unsecured Loans			
From Directors		28,553,553	51,841,162
TOTAL		188,195,012	157,716,035
Loan from bank represent loan from The State Bank of Patiala, M G Road Branch, Secunderbad which is secured against Book Debts carrying interest rate of 13.45% as on 31st March, 2016			
NOTE 7: Trade Payables			
PARTICULARS		31.03.2016	31.03.2015
Dues to Micro & Small Enterprises		-	-
Dues to Others		60,781,444	60,947,861
Agency Commission		-	1,032,885
TOTAL		60,781,444	61,980,746
NOTE 8: Other Current Liabilities			Amount in Rs.
PARTICULARS		31.03.2016	31.03.2015
Current Maturities of term Loans		73,286,694	48,035,068
Agency and Rental Deposits		6,002,436	15,389,865
Creditors for Expenses		77,255,600	35,773,288
Statutory Liabilities		16,503,786	13,141,231
Other current liabilities		10,631,531	12,012,680
TOTAL		183,680,047	124,352,132
NOTE 10: Other non current assets			
PARTICULARS		31.03.2016	31.03.2015
Advance for purchase of fixed assets		138,970,823	-
TOTAL		138,970,823	-
NOTE 11: Inventories			
PARTICULARS		31.03.2016	31.03.2015
Truck Spares		3,838,261	3,770,448
Packing materials		4,353,033	5,949,037
TOTAL		8,191,294	9,719,485
NOTE 12: Trade Receivables			
PARTICULARS		31.03.2016	31.03.2015
Outstanding for a period exceeding six months from the date they are due for payment			
Unsecured, considered good		4,627,978	9,925,796
Others			
Unsecured, considered good		104,593,340	136,542,020
TOTAL		109,221,318	146,467,816



NOTE 13: Cash and Cash Equivalents			
PARTICULARS		31.03.2016	31.03.2015
A. Cash on Hand		6,141,710	5,770,772
B. Balances with Banks In Current Accounts		14,699,177	7,917,477
TOTAL		20,840,887	13,688,249
NOTE 14: Short Term Loans and Advances			
PARTICULARS		31.03.2016	31.03.2015
Advances to Employees		397,316	2,188,250
MAT Credit Entitlement		5,106,931	5,936,888
Security Deposits		8,482,166	54,802,879
Service Tax paid under protest		12,280,148	-
TDS Receivable Income tax refund, Advance tax net off Provision for Tax		11,254,591	8,769,467
TOTAL		37,521,152	71,697,484
NOTE 15: Other Current Assets			
PARTICULARS		31.03.2016	31.03.2015
Advances to Associate Companies		19,945	1,842,045
Other current assets		4,005,857	7,255,371
TOTAL		4,025,802	9,097,416
NOTE 16: Revenue from Operations			
PARTICULARS		31.03.2016	31.03.2015
- From Commercial Services		802,562,822	949,635,011
- From Household Services		474,376,583	456,849,490
- From Parcel Services		227,813,044	20,674,576
- From Warehousing		43,131,907	42,113,367
Total		1,547,884,356	1,469,272,444
Less: Service Tax		17,650,440	15,439,408
Net Revenue		1,530,233,916	1,453,833,036
NOTE 17: Other Income			
PARTICULARS		31.03.2016	31.03.2015
Miscellaneous Income		64,719	8,052,339
Recoveries/Penalties from staff		-	-
Interest received on bank deposits		239,721	-
Other Deductions		301,271	-
TOTAL		605,711	8,052,339
NOTE 18: Employee Benefits			
PARTICULARS		31.03.2016	31.03.2015
Salaries, wages and bonus		70,373,880	53,075,332
Contribution to Provident Fund & Other Funds		3,664,378	3,659,652
Directors Remuneration		1,598,156	1,200,000
Other benefits		4,358,730	1,921,335
TOTAL		79,995,144	59,856,319



NOTE 19: Financial Charges				
PARTICULARS			31.03.2016	31.03.2015
Interest on Bank loan			35,398,726	32,544,024
Bank charges			3,627,738	4,154,175
TOTAL			39,026,463	36,698,199
NOTE 20: Other Expenditure				
PARTICULARS			31.03.2016	31.03.2015
Advertisement Expenses			23,927,199	20,566,943
Claim Expenses and deductions			15,039,143	37,479,888
Commission & Brokerage			1,833,843	1,177,768
Packing & Maintenance			100,272,461	114,837,102
Vehicle Hire Charges & Maintenance			1,085,327,782	1,017,116,896
Auditor's Remuneration (Refer Note 21)			400,000	449,440
Business Promotion Expenses			1,413,217	920,431
Charity & Donations			225,277	79,731
Communication Expenses			9,168,239	9,563,942
Computer Maintenance			4,416,310	1,433,645
Electricity & Water Charges			6,516,560	7,292,858
Legal Expenses			3,730,781	2,960,088
Miscellaneous expenses			12,214,936	17,371,625
Office Expenses			16,126,696	18,744,262
Printing & Stationery			3,653,371	3,867,053
Rates & Taxes			1,504,035	1,048,634
Rent			27,038,210	27,378,180
Loss on Sale of Vehicles			-	969,008
Travelling expenses			21,367,878	16,458,792
TOTAL			1,334,175,938	1,299,716,286
NOTE 21: Auditor's Remuneration				
PARTICULARS			31.03.2016	31.03.2015
As Statutory Auditor			250,000	280,900
As Tax Auditor			150,000	168,540
TOTAL			400,000	449,440



Note 22: 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 disputed amount Rs.15.07 Crores.

The status of the case is with the Commissioner of Customs, Central Excise & Service Tax, Commissionerate-IV, Hyderabad and personal hearing is completed and waiting for his Order.

- 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, we have 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 is in the process of filing appeal in TRIBUNAL (ITAT).
- c.) We have received a notice from Assistant P F Commissioner, Hyderabad – 27 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. In this connection one personal hearing was held on 22-02-2016, and the amount of employer contribution is under dispute and is so far not quantified.

Note.23: Related Party Disclosures as per AS 18 read with the Companies Act, 2013

i) Key Managerial Personnel (KMP):

- a) Mr. Anjani Kumar Agarwal, Director
- b) Mr. Naipunya Hari Mangalampally, Director
- c) Mr. Raju Samal, Director
- d) Mr. Sukan Chand Sharma, Director
- e) Mr. Sanjay Kumar Agarwal, Director (Upto 24.07.2015)

ii) Relatives of Key Managerial Personnel:

- a) Mr. Dayanand Agarwal (Father of Mr. Anjani Kumar Agarwal)
- b) Mrs. Shasikala Agarwal (Mother of Mr. Anjani Kumar Agarwal)
- c) Mrs. Pinky Agarwal (Spouse of Mr. Anjani Kumar Agarwal)
- d) Mrs. Sunita Agarwal (Spouse of Mr. Sanjay Kumar Agarwal)
- e) Mr. Manoj Kumar Sharma (Son of Mr. Sukan Chand Sharma)



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

- a) DRS Warehousing (South) Private Limited
- b) DRS Labs (India) Private Limited
- c) DRS Logistics Private Limited
- d) Agarwal Packers and Movers (South) Private Limited
- e) DRS Body Building
- f) DN Trust

iv) Aggregated Related Party Disclosures:

Nature of Transaction	Key managerial Personnel	Relatives of key managerial personnel	Enterprises Controlled by KMP /Relatives of KMP	Total
Managerial Remuneration	15,98,156	0	0	15,98,156
	(12,00,000)	(0)	(0)	(12,00,000)
Advances given	0	0	10,36,21,122	10,36,21,122
	(0)	(0)	(0)	(0)
Loans taken	3,53,000	0	18,22,100	21,75,100
	(5,11,35,000)	(0)	(44,91,044)	(5,56,26,044)
Loans repaid	2,36,40,609	0	0	2,36,40,609
	(0)	(0)	(47,362,381)	(4,73,62,381)

Figures given in the brackets represent previous year figures

Note 24: Earnings per Share:

Basic and Diluted Earnings per share:

	31-03-2016	31-03-2015
Earnings per share has been computed as under:		
a) Net Profit after Tax attributable to shareholders	98,63,433	41,29,518
b) Weighted Average Number of Equity Shares	30,00,000	30,00,000
c) Basic and Diluted Earnings per share (a)/(b)	0.33	0.14
d) Face Value per equity Share	10	10



